

Kareeberg Municipality



Annual Report
2015/16

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Chapter 1: Executive Summary

CHAPTER 1

COMPONENT A: MAYOR'S FOREWORD

N TITUS

EXECUTIVE MAYOR

Chapter 1: Executive Summary

COMPONENT B: EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview

W DE BRUIN

MUNICIPAL MANAGER

Chapter 1: Executive Summary

1.2 Municipal Overview

This report addresses the performance of the Kareeberg Municipality in the Northern Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2015/16 Annual Report reflects on the performance of the Kareeberg Municipality for the period 1 July 2015 to 30 June 2016. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

1.2.1 Vision and Mission

The Kareeberg Municipality committed itself to the following vision and mission:

Vision:

“A Sustainable, Affordable and Developmental Quality Service For All”

Mission:

We will achieve our vision by ensuring that we:

Provide a continuous and constant service

Provide a better level of service for our basket of services

Provide value for money that will be maintained by the municipality

Improvement of existing infrastructure and the creation of new opportunities for all

Chapter 1: Executive Summary

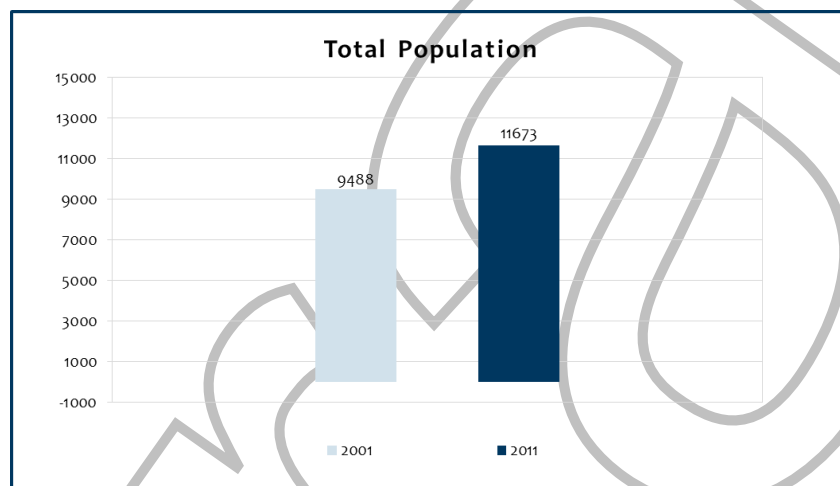
1.3 Municipal Functions, Population and Environmental Overview

1.3.1 Population

a) Total Population

As per Census 2011, Kareeberg Municipality's population has risen from 9 488 in 2001 to 11 673 in 2011 and it accounts for about 6% of the total population of Pixley ka Seme District Municipality.

The table below indicates the total population within the municipal area:



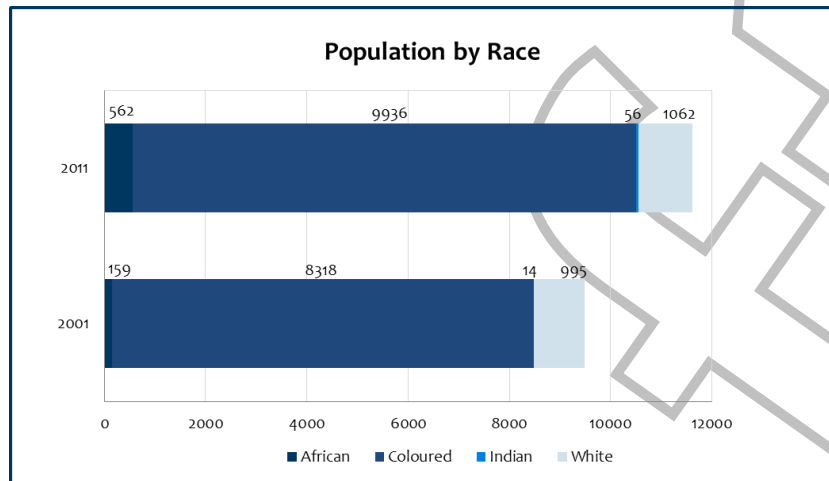
Graph 1: Total Population

Year	African	Coloured	Indian	White
2001	159	8 318	14	995
2011	562	9 936	56	1 062

Source: Census 2001 & 2011

Table 1: Population

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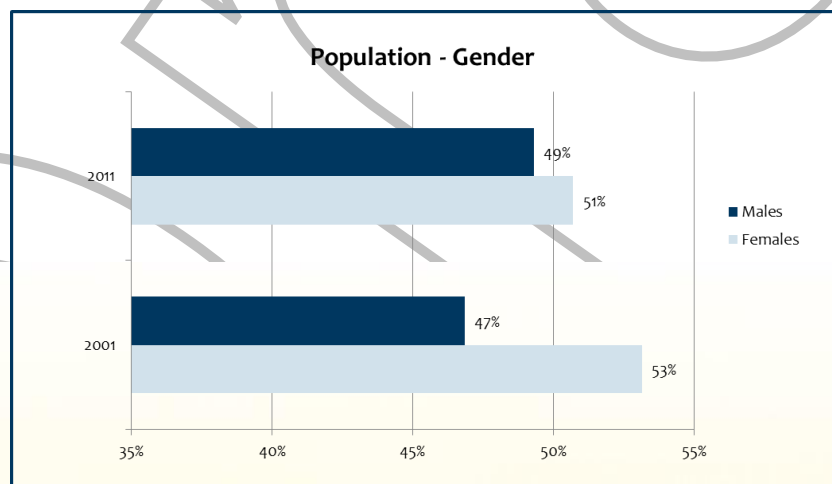
Graph 2: Population by Race

In 2011 the Kareeberg population showed that females represent 51% (5 918) and males 49% (5 755) of the total population of Kareeberg municipal area.

Population - Gender	2001	2011
Females	5 043	5 918
Males	4 445	5 755
Total	9 488	11 673

Source: Census 2001 & 2011

Table 2: Gender Statistics



Graph 3: Population - Gender

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b) Population Profile

Age	2001			2011		
	Male	Female	Total	Male	Female	Total
Age: 0-4	497	452	949	599	625	1 224
Age: 5-9	485	557	1042	538	574	1 112
Age: 10-14	548	552	1 100	580	514	1 094
Age: 15-19	448	415	863	458	522	980
Age: 20-24	224	272	496	478	454	932
Age: 25-29	296	312	608	435	386	821
Age: 30-34	296	360	656	295	304	599
Age: 35-39	289	356	645	381	380	761
Age: 40-44	250	324	574	391	372	763
Age: 45-59	286	306	592	357	370	727
Age: 50-54	200	259	459	313	330	643
Age: 55-59	174	215	389	289	290	579
Age: 60-64	149	165	314	241	250	491
Age: 65-69	127	158	285	166	182	348
Age: 70-74	81	123	204	106	118	224
Age: 75-79	49	97	146	67	103	170
Age: 80-84	30	65	95	37	62	99
Age: 85+	16	55	71	23	80	103
Total	4 445	5 043	9 488	5 754	5 916	11 673
Census 2001 & 2011						

Table 3: Population Profile

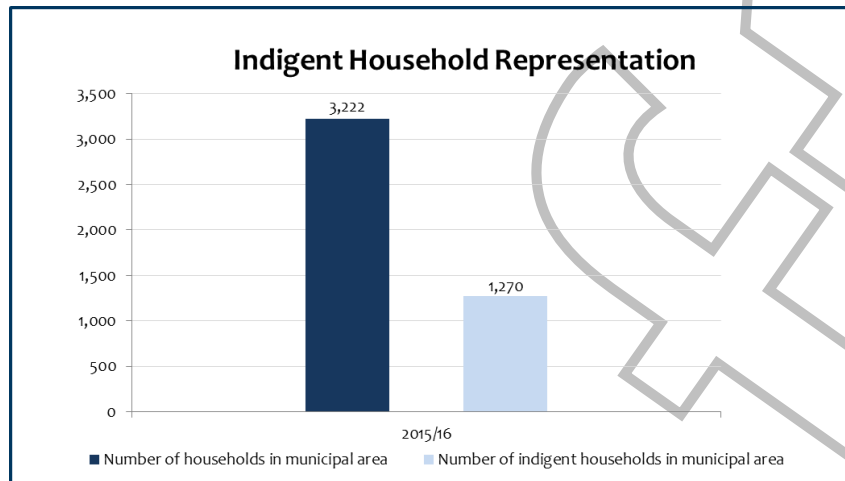
1.3.2 Households

The total number of indigent households within the municipal area amounts to 1 270 of the 3 222 households in the area as indicated in the table below:

Households	2015/16
Number of households in municipal area	3 222
Number of indigent households in municipal area	1 270

Table 4: Total Number of Households

Chapter 1: Executive Summary



Graph 4: Indigent Households

1.3.3 Demographic Information

Municipal Geographical Information

Kareeberg Local Municipality forms part of the Pixley ka Seme District Municipality in the Northern Cape. The name originates from a mountain range in the region, the Karee Mountains. Surrounded by Karoo koppies (hills) that form part of the Karee Mountains, one finds Carnarvon, an attractive and fascinating Karoo village.

Kareeberg Municipality is situated in the western side of the Pixley ka Seme District Municipality as shown below. The District Municipality is adjoined by three provinces, namely Northern Free State, Eastern Cape on the eastern side and the Western Cape on the southern side. Politically it consists of nine local municipalities, of which Kareeberg is the second smallest.

Kareeberg Municipality consists of three towns: Carnarvon, Vosburg and Vanwyksvlei, as well as a large area of rural farming. The area is estimated at 17 702 km² and it forms 17.11% of the total area of the Pixley Ka Seme District Municipality. There are vast differences between the towns, with extensive farming areas in between.

The administration centre is located in Carnarvon which is on the main route from Kimberley/Bloemfontein to the southern part of Namakwaland and the West Coast.

The landscape is typical Karoo with an average annual rainfall of 260mm and an annual evaporation of 2300mm. There are no constant rivers running through the municipal area and all the towns and settlements are primarily dependent on ground water. Kareeberg forms part of the interior pre-Karoo surface pattern which can be divided into hills and lowlands and into hills and moderate relief.

Kareeberg Municipality was formed through the amalgamation of the following former Municipalities:

- Vosburg
- Carnarvon

Chapter 1: Executive Summary

- Vanwyksvlei
- Part of the Kareeberg rural area

In the discussion and analysis of the Municipality the above areas will be dealt with as separate, individual areas. Most of the settlements in the Kareeberg Municipality are very small and far apart, which make it difficult for regional service schemes to be economically viable. Below is a map of the Northern Cape that indicates the location of the Kareeberg Municipality in the Pixley Ka Seme District area.



Figure 1: Northern Cape Area Map

Wards

The Municipality was structured into the following 4 Wards:

Ward	Areas
1	Carnarvon - town
2	Bonteheuwel - Carnarvan
3	Vosburg
4	Vanwyksvlei

Table 5: Municipal Wards

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Towns

Carnarvon

Carnarvon was established in 1853 on a route between Cape Town and Botswana that was followed by early explorers and traders. It was originally established as a Rhenish mission station under the name of Harmsfontein (who previously established Schietfontein to the west), which later developed into a village. It was renamed Carnarvon in honour of the British Colonial Secretary, Lord Carnarvon (1831–1890).

The town is known for its corbelled houses - domed-roof houses constructed from flat stones - which were built between 1811 and 1815.

The Afrikaans poet A.G. Visser had strong associations with Carnarvon, and the house where he lived in the town still stands.

Carnarvon Museum contains exhibits on the region's cultural history. The building was constructed in 1907, and was originally the community hall for the Dutch Reformed Church before being donated to the municipality when a new community centre was constructed in 1973. The museum holds a number of antiques related to the area, including an old hearse previously used by the Dutch Reformed Church. A corbelled house is preserved outside the museum, which was relocated from a nearby farm. An English-built fort was constructed on top of the hill that overlooks Carnarvon during the Second Boer War. The hill, now named Koeëlkop (after the Afrikaans word for bullet), is now used for a water reservoir. The remains of the fort were later rebuilt.



Vanwyksvlei

The town is named after a farmer called Van Wyk, and the Afrikaans suffix vlei, meaning 'pond', 'marsh'. Ironically this is one of the driest places in South Africa and the surrounding region is named the Dorsland (Afrikaans for Thirstland). This area is relatively flat, and interspersed with huge salt pans.



Vanwyksvlei was founded in 1881. It later saw action in the Second Boer War where two Victoria Crosses were awarded Harry Hampton and Henry Knight were awarded the medal for gallant acts.

The Vanwyksvlei Dam was the first (1882) state-funded dam build in South Africa. The larger region is known as the The Thirstland (in Afrikaans: Dorsland), and also as Bushmanland. San Rock Engravings can be viewed at Springbokoog.

Chapter 1: Executive Summary

Vosburg

Vosburg was founded in 1895 and became a municipality in 1897. It was established on the farm Processfontein in 1895, the town was named after Mr J Vos and the Van Rensburg family.

Vosburg is 100 km north-north-west of Victoria West, 70 km west of Britstown and 94 km north-east of Carnarvon. It has recently been linked to Carnarvon and Britstown with the newly tarred R384 road and gravel roads link Vosburg with Prieska in the north and Victoria

West to the south via the R403. The village is best appreciated by foot and

a stroll along the tree-lined streets reveals a rich array of Victorian and Edwardian era homes, mixed in together with some more modern buildings. Some of the buildings in the village have been declared national monuments.



1.4 Service Delivery Overview

1.4.1 Basic Services Delivery Highlights

Highlights	Description
Access to water	100 % of households have water available within 200m from dwelling
Access to sanitation	95% of households are above the minimum services level

Table 6: Basic Services Delivery Highlights

1.4.2 Basic Services Delivery Challenges

Challenges	Actions to address
Providing a constant water supply to Vanwyksvlei	Funding must be sourced to construct a pipeline
Lack of proper sustainable sanitation in Vanwyksvlei due to a shortage of water. High water consumption by indigent households with sewerage system in Carnarvon	The pipeline must be completed and awareness created to maintain the systems
Upgrading and maintenance of the electricity network	Funding must be sourced for the upgrading and maintenance of the electricity network
Budgetary constraints	Investigate alternative income
Shortage of skilled labour	Investigate possibilities to train staff and to increase the workforce
Ageing equipment and non-compliance permits	Equipment must be upgraded in order to enhance effective service delivery and securing funding

Table 7: Basic Services Delivery Challenges

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1.4.3 Proportion of Households with Access to Basic Services

KPA & Indicator	Municipal Achievement	
	2014/15	2015/16
Electricity- service connections	80%	80%
Water - available within 200m from dwelling	100%	100%
Sanitation - households with at least VIP service	95%	95%
Waste collection - kerbside collection once a week	100%	100%

Table 8: Households with Minimum Level of Basic Services

1.5 Financial Health Overview

1.5.1 Financial Viability Highlights

Highlight	Description
Spending of capital budget	100% of the capital budget was spend during the financial year (MIG)
Collection of income	A collection rate of 98% for services was achieved

Table 9: Financial Viability Highlights

1.5.2 Financial Viability Challenges

Challenge	Action to address
Non-payment of rates	Strict credit control should be implemented
Lack of maintenance of assets	Strict credit control should be implemented

Table 10: Financial Viability Challenges

1.5.3 National Key Performance Indicators – Municipal Financial Viability and Management (Ratios)

The following table indicates the Municipality's performance in terms of the National Key Performance Indicators (KPI's) required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the Municipal Systems Act (MSA), 2000. These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

Indicator	2014/15	2015/16
Debt coverage ((Total operating revenue-operating grants received): debt service payments due within the year)	15.9	23.5
Service debtors to revenue – (Total outstanding service debtors: revenue received for services)	9.2%	11%
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure	6.1	5.8

Table 11: National KPI's for Financial Viability and Management

Chapter 1: Executive Summary

1.5.4 Financial Overview

Details	Original budget	Adjustment Budget	Actual
	R'ooo		
Income			
Grants	33 777	33 777	29 784
Taxes, Levies and tariffs	23 917	23 917	24 196
Other	10 663	10 663	4 320
Sub Total	68 357	68 357	58 300
Less Expenditure	(59 772)	(59 772)	(53 289)
Net surplus/(deficit)	8 585	8 585	4 471

Table 12: Financial Overview

1.5.5 Total Capital Expenditure

Detail	2014/15	2015/16
	R'ooo	
Original Budget	10 088	10 285
Adjustment Budget	10 088	10 385
Actual	10 088	7 418
% Spent	100	71

Table 13: Total Capital Expenditure

1.6 Auditor-General Report

1.6.1 Audited Outcomes

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. In short, the auditor-general checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This is done by annually checking all government spending. In turn, this can be described as an audit.

The auditor-general's annual audit examines 3 areas:

- Fair presentation and absence of significant misstatements in financial statements
- Reliable and credible performance information for predetermined objectives
- Compliance with all laws and regulations governing financial matters

There can be 5 different outcomes to an audit, once the municipality has submitted their financial statements to the Auditor-General, which can be simply defined as follow:

Chapter 1: Executive Summary

- **A clean audit:** The financial statements are free from material misstatements and there are no material findings on reporting on predetermined objectives or non-compliance with legislation
- **Unqualified audit with findings:** The financial statements contain material misstatements. Unless we express a clean audit come, findings have been raised on either reporting on predetermined objectives or non-compliance with legislation, or both these aspects
- **Qualified audit opinion:** The financial statements contain material misstatements in specific amounts, or these insufficient evidences for us to conclude that specific amounts included in the financial statements are not materially misstated
- **Adverse Audit Opinion:** The financial statements contain material misstatements that are not confined to specific amounts, or the misstatements represent a substantial portion of the financial statements
- **Disclaimer of Audit opinion:** The auditee provided insufficient evidence in the form of documentation on which to base an audit opinion. The lack of sufficient evidence is not confined to specific amounts, or represents a substantial portion of the information contained in the financial statements

Year	2013/14	2014/15	2015/16
Opinion received	Unqualified with findings	Unqualified with findings	Unqualified with findings

Table 14: Audited Outcomes

1.7 2015/16 IDP/Budget Process

The table below provides details of the 2015/16 IDP/Budget process:

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting)	August
3	Finalise the 4th quarter report for previous financial year	August
4	Submit draft Annual Report to Internal Auditor and Auditor-General	January
5	Municipal entities submit draft annual reports to MM	N/A
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	February
8	Mayor tables the unaudited Annual Report	January
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor-General	January
10	Annual Performance Report as submitted to Auditor-General to be provided as input to the IDP Analysis Phase	November
11	Auditor-General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor-General's comments	February

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No.	Activity	Timeframe
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	February
14	Audited Annual Report is made public and representation is invited	February
15	Oversight Committee assesses Annual Report	March
16	Council adopts Oversight Report	May
17	Oversight Report is made public	May
18	Oversight Report is submitted to relevant provincial councils	May
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	February

Table 15: 2015/16 IDP/Budget Process

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CHAPTER 2

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.1 National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and Section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

KPA & Indicators	Municipal Achievement	Municipal Achievement
	2014/15	2015/16
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan (After roll over projects)	100	94

Table 16: National KPIs - Good Governance and Public Participation Performance

2.2 Challenges - Good Governance and Public Participation

Description	Actions to address
Ward committee meetings not taking place regularly	Motivate members to attend meetings
Lack of regular feedback meetings in wards	Motivate members to conduct regular feedback meetings

Table 17: Good Governance and Public Participation Challenges

2.3 Governance Structure

2.3.1 Political Governance Structure

The council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as

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decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

a) Council

The Kareeberg Local Municipal Council comprises of 7 elected councillors, made up from 4 ward councillors and 3 proportional representation councillors. The portfolio committees are made up of councillors drawn from all political parties. Below is a table that categorise the councillors within their specific political parties and wards for the 2015/16 financial year:

Name of councillor	Political party	Ward representing or proportional	Council Meetings attended %
J Hoorn	ANC	Ward 1	100
D Jason	ANC	Ward 2	100
D Olifant	ANC	Ward 3	100
N Titus	ANC	Ward 4	100
E Riley	DA	Proportional	100
J Horne	Cope	Proportional	100
P Viviers	DA	Proportional	100

Table 18: Council 2015/16

b) Portfolio Committees

Section 80 committees are permanent committees that specialize in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise Council on policy matters and make recommendations to Council. Section 79 committees are temporary and appointed by the Council as needed. They are usually set up to investigate a particular issue and do not have any decision-making powers. Just like Section 80 committees they can also make recommendations to Council. Once their *ad hoc* task had been completed, Section 79 committees are usually disbanded. External experts, as well as councillors can be included on Section 79 committees.

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The portfolio committees for the 2015/16 Mayoral term and their chairpersons are as follow:

Finance	
Chairperson	Other members
N Titus	D Jason
	J Horne
	P Viviers
Administration and Personnel	
Chairperson	Other members
J Hoorn	D Olifant
	P Viviers
Social and Economic Development	
Chairperson	Other members
D Olifant	E Riley
	N Titus
Infrastructure	
Chairperson	Other members
J Hoorn	D Olifant
	E Riley
SCOPA	
Chairperson	Other members
D Jason	J Horne
	J Hoorn

Table 19: Portfolio Committees

c) Political decision-taking

Section 53 of the MSA stipulates *inter alia* that the respective roles and areas of responsibility of each political structure and political once bearer of the Municipality and of the Municipal Manager must be defined. The section below is based on the Section 53 role clarification that was approved at the Council Meeting of May 2011.

Municipal Council

- governs by making and administering laws, raising taxes and taking decisions that affect people's rights
- is a tax authority that may raise property taxes and service levies
- is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political once bearers, individual councillors or officials
- can delegate responsibilities and duties for the purposes of fast and effective decision making
- must strive towards the constitutional objects of local government
- must consult the community with respect to local government matters

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- is the only decision maker on non-delegated matters such as the approval of the IDP and budget

2.3.2 Administrative Governance Structure

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily should serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the management team, whose structure is outlined in the table below:

Name of Official	Department
P Rossouw	Finance Services
N Van Zyl	Corporate Services
A Van Schalkwyk	Infrastructure Services

Table 20: Administrative Governance Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another; inform and consult one another on matters of common interest; coordinate their actions, adhering to agreed procedures and avoid legal proceedings against one another.

2.4 Intergovernmental Relations

2.4.1 Intergovernmental Structures

To adhere to the principles of the Constitution as mentioned above the Municipality participates in the following intergovernmental structures:

Name of Structure	Members
District Intergovernmental Forum	N Titus
Local Intergovernmental Forum	N Titus (Chairperson)

Table 21: Intergovernmental Structures

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Section 16 of the MSA refers specifically to the development of a culture of community participation within municipalities. It states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose it must encourage and create conditions for the local community to participate in the affairs of the community. Such participation is required in terms of:

- the preparation, implementation and review of the IDP

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- establishment, implementation and review of the performance management system
- monitoring and review of the performance, including the outcomes and impact of such performance
- preparation of the municipal budget

2.5 Public Meetings

The following public meetings were conducted during the year:

Nature and purpose of meeting	Date of events	Participating municipal councillors	Participating municipal administrators	Community members attending
Council meet the people Ward 1	22 March 2016	5	1	14
Council meet the people Ward 2	23 March 2016	5	1	28
Council meet the people Ward 3	30 March 2016	5	2	26
Council meet the people Ward 4	29 March 2016	3	1	31
IDP Representative Forum	22 March 2016	4	2	4 departments
IDP Ward 1 and 2	8 March 2016	5	1	38
IDP Ward 3	23 February 2016	3	2	98
IDP Ward 4	22 February 2016	2	2	28

Table 22: Public Meetings

2.5.1 Ward Committees

The ward committees support the ward councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the Municipality constantly strives to ensure that all ward committees function optimally with community information provision, convening of meetings, ward planning, service delivery, IDP formulation and performance feedback to communities.

a) Ward 1: Carnarvon - Town

Name of representative	Capacity representing	Meetings
J Hoorn	Councillor and Chairperson	None
E Jacobs	Carnarvon Bowling Club	
H du Toit	Kareeberg Tax Payers Forum	
L Boezak	Aandblom Elderly Club	
M Kotze	ACVV (Afrikaans Christian Women's Organization)	
M Human	Danie van Huysteen Home	
D Connan	Red Cross	
A Brand	Woman Agricultural Association	
T van Wyk	Uniting Reformed Church - Women Service	

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Name of representative	Capacity representing	Meetings
P Jansen	Carnarvan Primary School	

Table 23: Ward 1 Committee Meetings

b) Ward 2: Bonteheuwel - Carnarvon

Name of representative	Capacity representing	Meetings
D Jason	Councillor and Chairperson	16 July 2015 26 November 2015 22 March 2016
D Connan	Red Cross	
M van Wyk	Kareeberg Tax Payers Forum	
B Morkel	ACVV	
L Burger	Danie van Huysteen Home	
M Hoorn	Aandblom Elderly Club	
R Meerka	Uniting Reformed Church - Women Service	
G Appies	Sport	
N Moos	Carnarvan Primary School	
R Beest	Handicapped	
N Kalse	Small holdings	
J Horne	Proportional Councillor	

Table 24: Ward 2 Committee Meetings

c) Ward 3: Vosburg

Name of representative	Capacity representing	Meetings
D Olifant	Councillor and Chairperson	None
L le Roux	Agriculture	
P Charlies	Community Police Forum	
S Charlies	Rehoboth Church	
E Smit	Health Centre	
N Jansen	Emerging farmers	
J Jansen van Rensburg (jr)	Sport	
J Jansen van Rensburg (sr)	Agriculture partnership	
P Viviers	Proportional Councillor	

Table 25: Ward 3 Committee Meetings

d) Ward 4: Vanwyksvlei

Name of representative	Capacity representing	Meetings
N Titus	Councillor and Chairperson	20 August 2015
E Makie	AME Church	3 December 2015
J Phillipus	Reborn Christians	17 March 2016

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Name of representative	Capacity representing	Meetings
M Witbooi	Community Police Forum	
R Slambee	Health Centre	
K Waterboer	The Gospel Church	
G Jansen	Elevations Soccer Club	
D Oberholzer	Farmers Association	
B Hugget	Agriculture Partnership	
P Oberholzer	ACVV	

Table 26: Ward 4 Committee Meetings

2.5.2 Functionality of Ward Committees

The purpose of a ward committee is:

- to get better participation from the community to inform council decisions
- to make sure that there is more effective communication between the Council and the community
- to assist the ward councillor with consultation and report-backs to the community

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to the administration. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

The table below provides information on the establishment of ward committees and their functionality:

Ward Number	Committee established (Yes / No)	Number of meetings
1	Yes	0
2	Yes	3
3	Yes	0
4	Yes	3

Table 27: Functioning of Ward Committees

2.5.3 Representative Forums

a) Labour Forum

The table below specifies the members of the Labour Forum for the 2015/16 financial year:

Name of representative	Capacity
A van Schalkwyk	Chief Operations Manager (Chairperson)

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Name of representative	Capacity
N van Zyl	Secretary
D Jason	Representative: Employer
J Horne	Representative: Employer
F Groenewald	Representative: IMATU
J Claasen	Representative: SAMWU
B Adolf	Representative: SAMWU

Table 28: Labour Forum

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.6 Risk Management

In terms of Section 62 (1)(c)(i) of the MFMA “the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure- that the municipality has and maintains effective, efficient and transparent systems – of financial and risk management and internal control;”...

The management of risk is the process by which the Accounting Officer, Chief Financial Officer and the other senior management of a municipality will pro-actively, purposefully and regularly, but at least annually, identify and define current as well as emerging business, financial and operational risks and identify appropriate, business and cost effective methods of managing these risks within the Municipality, as well as the risk to the stakeholders.

Risk Policy

This policy addresses key elements of the risk management framework to be implemented and maintained by the municipality, which will allow for the management of risks within defined risk/return parameters, risk appetite and tolerances as well as risk management standards. As such, it provides a framework for the effective identification, evaluation, management measurement and reporting of the municipality's risks.

Objectives

The objective of a Risk Policy is to ensure that a strategic plan is developed that should address the following:

- An effective risk management architecture
- A reporting system to facilitate risk reporting
- An effective culture of risk assessment

The role of the service departments is to identify, review and manage their risks on an ongoing basis, making risk management an integral or natural part of the organisational processes and procedures. Risk management should be embedded in the

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organisation, it becomes an intrinsic part of business planning and decision making - there is no direction taken without looking at potential risks.

The table below include the top 10 risks of the Municipality:

Risk	Root Cause	Risk Exposure
Dumping of refuse opens spaces and trenches	Illegal dumping by residents	Possible floods, injuries, health risk
Potholes in tar streets	Lack on maintenance due to cash flows	Injuries, claims, public damages
Insufficient cash	Non-payment by consumers/tax payers	Late payment of creditors/ staff
Unsafe electrical installations (private homes)	People can shock/killed	possible claims against the municipality due to non-performance
No consisted running water in Vanwyksvlei	High consumption, sources insufficient (summer only)	Unhygienic and health hazard for residents
State landfill sites	Uncontrolled dumping around/at sites (pay attention)	Risk staff/visitors - possible injuries
Overgrazed commonage	Tenants, contrary to contracts, keeping to much animals or other than specified	Damage to soil and vegetation
Limited maintenance of assets	Insufficient cash, limited staff	Replacement of assets at high costs, which can also affect service delivery
Stray animals in streets	Damage to private property, vehicles accidents	Possible claims against Municipality for damages
Operation clean audit	Finalization of predetermined objectives	Qualified Audit Report

Table 29: Top Ten Risks

The role of the Risk Committee is to provide timely and useful enterprise risk management report to the Audit Committee of the municipality. The report contains the current top risks of the Municipality, which includes:

- The key strategic and financial risks facing the Municipality (all extreme and high risk exposures)
- The key operational risks per strategic goal (top 5 risks per objective as per risk exposure from high to low)
- The top 10 risks identified are quarterly submitted to the Finance Committee

Further detail of the roles of the Risk Committee is included in the approved Risk Committee Charter.

Name of Committee Member	Capacity	Meeting dates
P Rossouw	CFO	None
N van Zyl	Director Corporate Services	
T de Kock	Risk Officer	
W de Bruin	Municipal Manager	

Table 30: Risk Committee

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2.7 Anti-Corruption and Anti-Fraud

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, Section 112(1)(m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

a) Developed Strategies

Name of strategy	Developed (Yes/No)
Anti-Corruption and Fraud Strategy/Policy (draft)	Currently in draft format

Table 31: Strategies

2.8 Audit Committee

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control
- risk management
- performance management
- effective governance

The Audit Committee have the following main functions as prescribed in Section 166 (2)(a-e) of the MFMA, 2003 and the Local Government Municipal and Performance Management Regulation:

a) Functions of the Audit Committee

- To advise the Council on all matters related to compliance and effective governance
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation
- Respond to the council on any issues raised by the Auditor-General in the audit report
- To review the quarterly reports submitted to it by the internal audit
- To evaluate audit reports pertaining to financial, administrative and technical systems
- The compilation of reports to Council, at least twice during a financial year
- To review the performance management system and make recommendations in this regard to Council
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised
- To review the annual report of the municipality

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- Review the plans of the internal audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available
- Provide support to the internal audit function
- Ensure that no restrictions or limitations are placed on the internal audit section
- Evaluate the activities of the internal audit function in terms of their role as prescribed by legislation

b) Members of the Audit Committee

Name of representative	Capacity	Meeting dates
X Maclean	Member	None
S Mbele	Member	
T Louw	Member	
L Cloete	Member	

Table 32: Members of the Audit Committee

2.9 Communication

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa, 1996 and other statutory enactments all impose an obligation on local government and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Good customer care is clearly of fundamental importance to any organisation. A successful communication strategy therefore links the people to the municipality's programme for the year.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Customer Care Policy	Yes
Communication Policy	Yes
Complaints Register	Yes

Table 33: Communication Activities

Newsletters

Type of Newsletter	Distributed
External - Korbeeltjie	Yes (not regularly)

Table 34: Newsletter

Additional Communication Channels Utilised

Channel	Yes/No
Call system and whatsapp	Yes – for electricity and water problems

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Table 35: Additional Communication Channels Utilised

2.10 Website

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Section 21A and B of the MSA as amended.

The website should serve as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information. The municipal website should serve as an integral part of the municipality's Communication Strategy.

The table below gives an indication about the information and documents that are published on our website.

Description of information and/or document	Yes/No
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Draft Budget 2015/16	Yes
Adjusted Budget 2015/16	Yes
Asset Management Policy	Yes
Customer Care, Credit control & Debt collection Policy	Yes
Indigent Policy	Yes
Investment & Cash Management Policy	Yes
Rates Policy	Yes
Supply Chain Management Policy	Yes
Tariff Policy	Yes
Virement Policy	Yes
Travel and Subsistence Policy	Yes
SDBIP 2015/16	Yes
Budget and Treasury Office Structure	Yes
Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2015/16	Yes
IDP Process Plan for 2015/16	Yes

Table 36: Website Checklist

CHAPTER 3

3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

3.1.1 Legislative Requirements

The Constitution of the RSA, 1996, Section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of Section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources
- accountable public administration
- to be transparent by providing information
- to be responsive to the needs of the community
- to facilitate a culture of public service and accountability amongst staff

The MSA, 2000 requires municipalities to establish a performance management system. Further, the MSA and the MFMA requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

The municipality continues to implement performance in terms of the performance management framework that was approved by Council on 23 September 2014.

In terms of Section 46(1)(a) of the MSA a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with the performance of the previous financial year. The report must, furthermore, indicate the development and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

Chapter 3: Service Delivery Performance

3.1.2 Organisational Performance

Strategic performance indicates how well the municipality is meeting its objectives and whether policies and processes are working effectively. All government institutions must measure and report on their strategic performance to ensure that service delivery is done in an efficient, effective and economical manner. Municipalities must therefore develop strategic plans and allocate resources for the implementation. The implementation of the plans must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlight the strategic performance in terms of the municipality's Top Layer SDBIP, high level performance in terms of the Strategic Objectives and performance on the National Key Performance Indicators as prescribed in terms of Section 43 of the MSA.

3.1.3 Performance Management System Used in the Financial Year 2015/16

a) *The IDP and the Budget*

The IDP and the main budget for 2015/16 was approved by Council on 21 May 2015. As the IDP process and the performance management process are integrated, the IDP fulfils the planning stage of performance management whilst performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

In terms of the performance management framework, the Mayor approved the Top Layer SDBIP on 22 May 2015. The Top Layer SDBIP indicators are aligned with the budget which was prepared in terms of the reviewed IDP. The indicators in the Top Layer SDBIP include indicators required by legislation, indicators that will assist to achieve the objectives adopted in the IDP and indicators that measure service delivery responsibilities.

3.1.4 Actual Performance

The municipality utilised manual system on which KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set
- A performance comment
- Actions to improve the performance against the target set, if the target was not achieved

It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated.

Chapter 3: Service Delivery Performance

3.1.5 Individual Performance Management

a) *Municipal Manager and Managers directly accountable to the Municipal Manager*

The MSA prescribes that the municipality must enter into performance based agreements with all the 557-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the Municipal Manager and applicable directors for the 2015/16 financial year was signed on 12 April 2016.

The appraisal of the actual performance in terms of the signed agreement took place at the end of the financial year. The final evaluation of the 2014/15 financial year (1 January 2015 to 30 June 2015) took place on 28 January 2016. The appraisals were done by an evaluation panel as indicated in the signed performance agreements and in terms of Regulation 805 and consisted of the following people:

- Executive Mayor
- Portfolio Councillor
- Municipal Manager
- Chairperson of the Audit Committee

3.2 Strategic and Municipal Performance for 2015/16

This section provides an overview of the key service achievements of the municipality that came to fruition during 2015/16 in terms of the deliverables achieved against the strategic objectives of the IDP.

3.2.1 Strategic Service Delivery Budget Implementation Plan (Top Layer)

This section provides an overview on the achievement of the municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer SDBIP assists with documenting and monitoring of the municipality's strategic plan and shows the strategic alignment between the IDP, budget and performance plans.

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP KPI's applicable to 2015/16 in terms of the various directorates.

Chapter 3: Service Delivery Performance

The following table explains the method by which the overall assessment of the actual performance against the targets set for the key performance indicators (KPI's) of the SDBIP are measured:

Category	Colour	Explanation
KPI Not Yet Measured		KPI's with no targets or actuals in the selected period
KPI Not Met		$0\% \geq \text{Actual/Target} < 75\%$
KPI Almost Met		$75\% \geq \text{Actual/Target} < 100\%$
KPI Met		$\text{Actual/Target} = 100\%$
KPI Well Met		$100\% > \text{Actual/Target} < 150\%$
KPI Extremely Well Met		$\text{Actual/Target} \geq 150\%$

Figure 2: SDBIP Measurement Criteria

a) Council

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
1	Bi-Monthly Council Meetings with a 100% attendance	Bi - Monthly	100%	100%	100%	100%	100%	75%	O
Corrective Action		Council meeting should be planned well ahead of time							
2	Approval revised IDP Plans	31 May 2016	10%	50%	90%	100%	100%	100%	G
3	Approval of Budget 2016/17	31 May 2016	10%	40%	95%	100%	100%	100%	G
4	Approval of the Annual Report 2014/15	31 January 2016	50%	90%	100%	100%	100%	100%	G
KPI's were reformulated for the 2015/16 financial year and as a result no comparative actual performance for 2014/15 is available									

Table 37: Top Layer SDBIP – Council

a) Office of the Municipal Manager

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
5	Comply with Sec. 72 of the MFMA	31 January 2016	50%	90%	100%	100%	100%	100%	G
6	Implement a Performance Management System	31 August 2015	100%	100%	100%	100%	100%	0%	R
Corrective Action		A services provider was appointed to assist with the implementation of performance management for the 2016/17 financial year							
KPI's were reformulated for the 2015/16 financial year and as a result no comparative actual performance for 2014/15 is available									

Table 38: Top Layer SDBIP – Office of the Municipal Manager

Chapter 3: Service Delivery Performance

b) Corporate Services

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
7	Newsletters	Monthly	100%	100%	100%	100%	100%	0%	R
Corrective Action		This matter will receive attention in the new financial year							
8	Public Meetings	Quarterly	100%	100%	100%	100%	100%	75%	O
Corrective Action		Attention will be given to ensure that meeting is schedule ahead of time and the necessary arrangement are made							
9	Agendas and minutes circulated at least 7 days before the scheduled date and time of the meeting	Continuous	100%	100%	100%	100%	100%	100%	G
10	Resolutions of Council executed within 60 days	Continuous	100%	100%	100%	100%	100%	100%	G
11	The keeping and compilation of minutes of all meetings of the Council and its Committees. (Not later than 7 days after meeting)	Continuous	100%	100%	100%	100%	100%	100%	G
12	Approval of all standing committee meeting minutes at the next available Council meeting	Continuous	100%	100%	100%	100%	100%	100%	G
13	Ensure that all correspondence marked out to the Administration Segment receives attention within seven (7) working days after receipt from the Registration office	Continuous	100%	100%	100%	100%	100%	100%	G
14	Incoming correspondence [letters, facsimiles, e-mail, memorandums]	Continuous	100%	100%	100%	100%	100%	100%	G
15	100% of all correspondence must be distributed to Officials	Continuous	100%	100%	100%	100%	100%	100%	G
16	Securities programme – Input and filing of all contracts/ agreements [100%]	Continuous	100%	100%	100%	100%	100%	100%	G
18	Insertion of amendment pages in Statute Books [100%]	Continuous	100%	100%	100%	100%	100%	100%	G
19	Promotion of Access to Information Act – Amend Manual / Handle requests [100%]	Continuous	100%	100%	100%	100%	100%	100%	G
20	Up to date policies systems, procedures, bylaws, contracts and agreements and clear office instructions in place and reviewed annually. Delegation manual in place	Continuous	25%	100%	100%	100%	100%	100%	G
21	Effective advertising of bids	Continuous	100%	100%	100%	100%	100%	100%	G
22	Recordkeeping and availability of applicable legislation	Continuous	100%	100%	100%	100%	100%	100%	G
24	Administration of Human Resource recruitment and selection	Continuous	100%	100%	100%	100%	100%	100%	G
25	Effective management of Labour relations issues	Continuous	100%	100%	100%	100%	100%	100%	G
26	Update of Skills Development Plan	30 April 2016	100%	100%	100%	100%	100%	100%	G
27	Oversee that training in terms of the Skills Development Plan is being implemented	Continuous	100%	100%	100%	100%	100%	75%	O
Corrective Action		This will be closely monitored in the new financial year							
28	Reclaim all monies due i.t.o. Skills Development Plan	Continuous	100%	100%	100%	100%	100%	100%	G

Chapter 3: Service Delivery Performance

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
30	Development, implementation and Monitoring of an effective communication system - Section 6 of Act 32/2000 refers	Continuous	100%	100%	100%	100%	100%	100%	G
31	Administration of Staff establishment and organograms reviewed for efficiency and effectiveness at least quarterly	Continuous	100%	100%	100%	100%	100%	100%	G
32	Effective functioning of Labour- and Training forums. Regular meetings	Continuous	100%	100%	100%	100%	100%	75%	O
Corrective Action		Meetings will be scheduled well ahead of time and the matter will be closely monitored							
33	To deal with disciplinary Hearings	Continuous	100%	100%	100%	100%	100%	100%	G
62	Ensure that the recommendations in the External Audit report is successfully implemented	Continuous	100%	100%	100%	100%	100%	80%	O
Corrective Action		This will be closely monitored in the new financial year							
66	To facilitate active and structured public participation during the drafting of the IDP Process	Continuous	100%	100%	100%	100%	100%	100%	G
67	To record the priority needs of all sectors of the community in the amended IDP document	Continuous	100%	100%	100%	100%	100%	100%	G
70	Administrative support for Ward committees	Continuous	100%	100%	100%	100%	100%	100%	G
71	4 Ward Committee meetings per annum	4 per annum per ward.	100%	100%	100%	100%	100%	31%	R
Corrective Action		Meetings will be scheduled well ahead of time and the matter will be closely monitored							
72	Draft IDP for approval by Council	31 May 2016	40%	80%	100%	100%	100%	75%	O
Corrective Action		Better time management in order to ensure that the required dates are met							
73	Facilitate community meetings for Mayor per town	Quarterly	100%	100%	100%	100%	100%	75%	O
Corrective Action		Meetings will be scheduled well ahead of time and the matter will be closely monitored							
74	Compilation of Annual Report and submit to Council	31 January 2016	20%	90%	100%	100%	100%	100%	G
KPI's were reformulated for the 2015/16 financial year and as a result no comparative actual performance for 2014/15 is available									

Table 39: Top Layer SDBIP – Corporate Services

Financial Services

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
23	Maintenance of an effective record and registry system	Continuous	100%	100%	100%	100%	100%	98%	O
Corrective Action		This will be closely monitored in the new financial year							
29	Capturing of leave forms to prevent losses for council	Continuous	100%	100%	100%	100%	100%	100%	G
34	50% Payment percentage	Continuous	100%	100%	100%	100%	100%	100%	G
35	Delivery of 99% correct accounts	Continuous	100%	100%	100%	100%	100%	100%	G

Chapter 3: Service Delivery Performance

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
36	Maximum income from rates through valuations ensured	Continuous	100%	100%	100%	100%	100%	100%	G
37	Monthly closing within (10) working days after month end	Monthly	100%	100%	100%	100%	100%	100%	G
38	Enquiries answered within ten (10) days	Continuous	100%	100%	100%	100%	100%	100%	G
39	Investment income according to best quotations	Continuous	100%	100%	100%	100%	100%	100%	G
40	Allocate all indigent subsidies - As per quarterly applications	Continuous	100%	100%	100%	100%	100%	100%	G
41	Recover 100% of monies for clearance certificates	Continuous	100%	100%	100%	100%	100%	100%	G
42	100% invoices paid on time - within 30 days of invoice or statement	Continuous	100%	100%	100%	100%	100%	95%	O
Corrective Action		This will be closely monitored in the new financial year							
43	Continuous monitoring of departmental expenditure against budget	Continuous	100%	100%	100%	100%	100%	100%	G
44	Complying to budget objectives of capital spending	Continuous	100%	100%	100%	100%	100%	100%	G
45	All salaries and third party payments paid on time	Continuous	100%	100%	100%	100%	100%	100%	G
46	Compile and submit to the Municipal Manager a Report on the implementation of the supply chain management policy to be reported to the Council in accordance with the regulations	Quarterly and Annually	100%	100%	100%	100%	100%	100%	G
47	98% Network support service	Continuous	100%	100%	100%	100%	100%	100%	G
48	98% Virus control on server	Continuous	100%	100%	100%	100%	100%	100%	G
49	Keep insurance claims up to date	Continuous	100%	100%	100%	100%	100%	100%	G
50	Updated and safeguarding of Back-ups	Continuous	100%	100%	100%	100%	100%	100%	G
51	Implement and Maintain complete asset register according to GRAP	Continuous	100%	100%	100%	100%	100%	100%	G
52	Financial Statements by 31 August 2015 and submitted to the Auditor-General	31 August 2015	100%	100%	100%	100%	100%	100%	G
53	Draw up 2016/ 2017 budget within time frame - Budget time frame by 31 August 15 - Draft budget by 31 March 2016 to Council and final budget submitted to Council by 31 May 2016	31 May 2016	10%	30%	90%	100%	100%	100%	G
54	Ensure that all correspondence marked out to the Financial Segment receives attention within seven (7) working days after receipt from the Registration office	Continuous	100%	100%	100%	100%	100%	100%	G
55	Monthly reporting in terms of MFMA, DORA PT and NT and other legislative requirements	Monthly	100%	100%	100%	100%	100%	100%	G
56	100% updated creditors database	Continuous	100%	100%	100%	100%	100%	100%	G
57	Compilation and Implementation of the Supply Chain Management policy	Continuous	100%	100%	100%	100%	100%	100%	G

Chapter 3: Service Delivery Performance

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
58	Compilation and Implementation of the Revised Rates Policy	31 May 2016	10%	30%	90%	100%	100%	100%	G
59	Compilation and Implementation of the MFMA Policies	Continuous	100%	100%	100%	100%	100%	100%	G
60	Budget in 2015/2016 Financial Year to implement Strategic Planning session strategies	2015/2016 Budget	10%	30%	90%	100%	100%	100%	G
61	100% Support for the Audit Committee	Continuous	100%	100%	100%	100%	100%	100%	G
63	100% Finalisation of Internal Audit Queries	Continuous	100%	100%	100%	100%	100%	100%	G
68	To ensure the alignment of the IDP objectives be reflected in the municipal budget	31 May 2016	50%	70%	100%	100%	100%	75%	O
Corrective Action		Procedures were put in place to address this matter							
112	Monitor expenditure/revenue and compare accumulated totals with approved budget amounts	Continuous	100%	100%	100%	100%	100%	100%	G
113	Ensure true reflection of actual expenditure on all votes	Continuous	100%	100%	100%	100%	100%	100%	G
114	Ensure all expenditure complies with the Council's Procurement Policy	Continuous	100%	100%	100%	100%	100%	100%	G
115	Maintain and monitor metering equipment in such a manner that energy losses are minimised	Continuous	100%	100%	100%	100%	100%	100%	G
116	Ensure that all transactions are in compliance with MFMA	Continuous	100%	100%	100%	100%	100%	100%	G
117	Report any expected over expenditure to the Municipal Manager	Continuous	100%	100%	100%	100%	100%	100%	G
118	Report any expected loss of revenue to the Municipal Manager	Continuous	100%	100%	100%	100%	100%	100%	G
112	Monitor expenditure/revenue and compare accumulated totals with approved budget amounts	Continuous	100%	100%	100%	100%	100%	100%	G
113	Ensure true reflection of actual expenditure on all votes	Continuous	100%	100%	100%	100%	100%	100%	G
114	Ensure all expenditure complies with the Council's Procurement Policy	Continuous	100%	100%	100%	100%	100%	100%	G
115	Maintain and monitor metering equipment in such a manner that energy losses are minimised	Continuous	100%	100%	100%	100%	100%	100%	G
116	Ensure that all transactions are in compliance with MFMA	Continuous	100%	100%	100%	100%	100%	100%	G
117	Report any expected over expenditure to the Municipal Manager	Continuous	100%	100%	100%	100%	100%	100%	G
118	Report any expected loss of revenue to the Municipal Manager	Continuous	100%	100%	100%	100%	100%	100%	G
KPI's were reformulated for the 2015/16 financial year and as a result no comparative actual performance for 2014/15 is available									

Table 40: Top Layer SDBIP – Financial Services

Chapter 3: Service Delivery Performance

d) Operational Services

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
64	To provide maintenance to municipal buildings * 80% to be reacted within 2 hours * 100% to be safeguarded on same day * 50% to be completed within two weeks	Continuous	100%	100%	100%	100%	100%	100%	G
69	To implement projects for which funding has been secured	Continuous	100%	100%	100%	100%	100%	100%	G
75	To ensure that all procedures are followed with the pounding of animals and that the register is kept up to date	Continuous	100%	100%	100%	100%	100%	100%	G
76	To buy a casket through contractor for pauper burials immediately after notification of the case	Continuous	100%	100%	100%	100%	100%	100%	G
77	Annual inspection of the cemeteries to determine the availability of space in cemeteries	Continuous	100%	100%	100%	100%	100%	100%	G
78	Managing maintenance of cemeteries	Continuous	100%	100%	100%	100%	100%	78%	O
Corrective Action		Maintenance will be closely monitored							
79	Upgrading of roads - Carnarvon and Vanwyksvlei	30 June 2016	0%	50%	70%	100%	100%	100%	G
80	Waterborne sewerage - Vosburg	30 June 2016	0%	50%	70%	100%	100%	0%	R
Corrective Action		Additional funding must be sourced to address this matter							
81	Upgrade of waste site - Carnarvon	30 June 2016	0%	50%	70%	100%	100%	0%	R
Corrective Action		Additional funding must be sourced to address this matter							
82	Upgrade sport field - Carnarvon	30 June 2016	0%	50%	70%	100%	100%	100%	GG
83	Administer of a Disaster Management Plan	Continuous	100%	100%	100%	100%	100%	100%	G
84	Administering of Fire equipment	Continuous	100%	100%	100%	100%	100%	100%	G
85	Keep Municipal Swimming Pool clean at all times	Continuous	100%	100%	100%	100%	100%	100%	G
86	The removal of domestic waste at all residences in all residential areas once per week	Continuous	100%	100%	100%	100%	100%	100%	G
87	The dumping of all waste at the waste sites and administering the maintenance of the dumping site	Continuous	100%	100%	100%	100%	100%	100%	G
88	Monitor - Abattoir-waste	Continuous	100%	100%	100%	100%	100%	100%	G
89	Administer the sewerage tank removal, so that a standard service can be provided to all clients	Daily	100%	100%	100%	100%	100%	100%	G
90	Administering the operations of the oxidation ponds in such a way that permit conditions are satisfied	Continuous	100%	100%	100%	100%	100%	90%	O
Corrective Action		This will be closely monitored in the new financial year							
91	Manage the operations of the network including the removing of blockages within 36 hours	Continuous	100%	100%	100%	100%	100%	100%	G
92	Attend to major wash away of roads within 24h of notification	Continuous	100%	100%	100%	100%	100%	100%	G

Chapter 3: Service Delivery Performance

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
93	The efficient and effective management of maintenance of Storm-water infrastructure and assets * 7 days reaction to complaint * 14 days reaction to letters and correspondence	Continuous	100%	100%	100%	100%	100%	100%	G
94	Water control and management – breaks and losses – daily, weekly and monthly	Continuous	100%	100%	100%	100%	100%	100%	G
95	Water breaks must be repaired within twelve (12) hours after break has been reported	Continuous	100%	100%	100%	100%	100%	90%	O
Corrective Action		This will be closely monitored in the new financial year							
96	Managing total water supply system to ensure sufficient water provision	Continuous	100%	100%	100%	100%	100%	100%	G
97	Inspection of town to identify faults for entry onto waterworks programmes – on-going	Continuous	100%	100%	100%	100%	100%	100%	G
98	Review and submit a Water Services Development Plan	30 April 2016	10%	30%	80%	100%	100%	50%	R
Corrective Action		Progress will be monitored and submitted to Council in the new financial year							
99	Keep statistics – on-going	Continuous	100%	100%	100%	100%	100%	100%	G
100	Application of relevant legislation – on-going	Continuous	100%	100%	100%	100%	100%	100%	G
101	Provide supply within thirty (30) days where existing network can be used and sixty (60) days for low tension and ninety (90) days for medium tension where extensions must be made to the network. (Depending on availability)	Continuous	100%	100%	100%	100%	100%	100%	G
103	Repair power failures within the following times: 50% within 1,5 hours	Continuous	100%	100%	100%	100%	100%	100%	G
104	Repair power failures within the following times: 60% within 3,5 hours	Continuous	100%	100%	100%	100%	100%	100%	G
105	Repair power failures within the following times: 90% within 7,5 hours	Continuous	100%	100%	100%	100%	100%	100%	G
106	Repair power failures within the following times: 98% within 24 hours	Continuous	100%	100%	100%	100%	100%	100%	G
107	Test electricity meters - All meter accuracy queries (exl. Eskom)	Continuous	100%	100%	100%	100%	100%	100%	G
108	Notice of planned electricity interruptions to consumers (exl. Eskom)	24 hours' notice	100%	100%	100%	100%	100%	100%	G
109	Customer complaints handled. (exl. Eskom)	3 working days or 10 working days for street lights	100%	100%	100%	100%	100%	100%	G
110	Manage maintenance all electrical distribution machinery and mechanical equipment. (exl. Eskom)	Continuous	100%	100%	100%	100%	100%	85%	O
Corrective Action		This will be closely monitored in the new financial year							
111	Manage maintenance of assets	Continuous	100%	100%	100%	100%	100%	80%	O
Corrective Action		This will be closely monitored in the new financial year							

Chapter 3: Service Delivery Performance

Ref	KPI	Target Date	Overall Performance 2015/2016						
			Target					Actual	R
			Q1	Q2	Q3	Q4	Annual		
119	Administer appropriate safety equipment to personnel and ensure that best safety practices are applied	Continuous	100%	100%	100%	100%	100%	100%	G
120	Complete projects within specifications and budget. Monthly progress vs expenditure	Monthly	100%	100%	100%	100%	100%	100%	G
121	Managing of personnel - Training in capacity building and legislation	Continuous	100%	100%	100%	100%	100%	100%	G
122	Manage the maintenance of the municipal vehicles fleet and equipment	Continuous	100%	100%	100%	100%	100%	80%	O
Corrective Action		This will be closely monitored in the new financial year							
KPI's were reformulated for the 2015/16 financial year and as a result no comparative actual performance for 2014/15 is available									

Table 41: Top Layer SDBIP – Operational Services

3.2.2 Municipal Functions

a) Analysis of Functions

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function (Yes/ No)
Constitution Schedule 4, Part B functions:	
Air pollution	No
Building regulations	No
Child care facilities	No
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes

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Municipal Function	Municipal Function (Yes/ No)
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	No
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	No
Facilities for the accommodation, care and burial of animals	No
Fencing and fences	No
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	No
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	No

Table 42: Functional Areas

Chapter 3: Service Delivery Performance

3.3 Component A: Basic Services

This component includes basic service delivery highlights and challenges, includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

3.3.1 Water Provision

a) Introduction to Water and Sanitation Provision

The unicity operates borehole water supply systems in Carnarvon, Vosburg and Vanwyksvlei. A total number of 11 boreholes supply the bulk of the water for the three towns. Operation, maintenance and management of the water supply system needs attention.

The levels of service for water in Carnarvon are high and 98% of all households have water connections. 60 squatters are dependent on standpipes. 100% (255) of the households in Vosburg have water connections, except for informal houses with standpipes. In Vanwyksvlei all 419 households have water connections.

b) Challenges: Water Services

The challenge that is experienced is as follow:

Description	Action to address
Providing a constant water supply to Vanwyksvlei	Funding must be sourced to construct a pipeline

Table 43: Water Services Challenge

c) Service Delivery Levels: Water Services

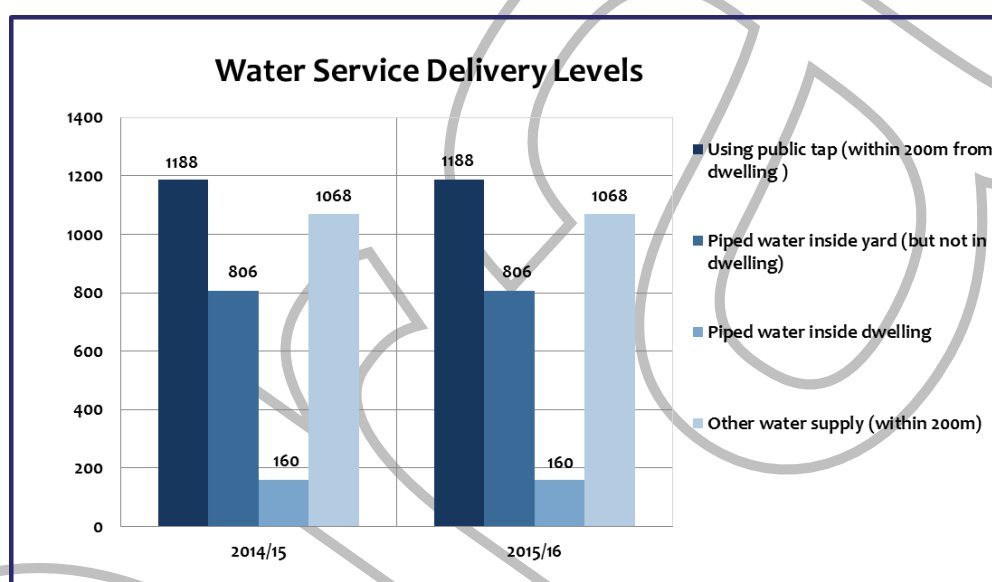
The table below specifies the different water service delivery levels per household for the financial years 2014/15 and 2015/16 in the areas in which the municipality is responsible for the delivery of the services:

Households		
Description	2014/15	2015/16
	Actual	Actual
	No.	No.
Water: (above min level)		
Piped water inside dwelling	1 188	1 188
Piped water inside yard (but not in dwelling)	806	806
Using public tap (within 200m from dwelling)	160	160
Other water supply (within 200m)	1 068	1 068
Minimum Service Level and Above sub-total	3 222	3 222
Minimum Service Level and Above Percentage	100%	100%
Water: (below min level)		

Chapter 3: Service Delivery Performance

Households		
Description	2014/15	2015/16
	Actual	Actual
	No.	No.
Using public tap (more than 200m from dwelling)	0	0
Other water supply (more than 200m from dwelling)	0	0
No water supply	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
Total number of households	3 222	3 222
Include informal settlements		

Table 44: Water Service Delivery Levels: Households



Graph 5: Water Service Delivery Levels

The table below specifies the number of households with access to water:

Access to Water			
Financial year	Number/Proportion of households with access to water points*	Proportion of households with access to piped water	Number /Proportion of households receiving 6 kl free#
2014/15	3 222	3 222	1 270
2015/16	3 222	3 222	1 270

* Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute
6,000 litres of potable water supplied per formal connection per month

Table 45: Access to Water

Chapter 3: Service Delivery Performance

d) Employees: Water Services

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	1	1	0	0
4 - 6	3	3	0	0
7 - 9	0	0	0	0
10 - 12	1	1	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	5	5	0	0

The totals is just a calculation done (see chapter 4)

Table 46: Employees Water Services

e) Financial Performance: Water Services

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	4 319	4 523	4 523	4 535	0
Expenditure:					
Employees	245	499	499	255	(96)
Repairs and Maintenance	626	374	374	393	5
Other	360	807	807	997	19
Total Operational Expenditure	1 231	1 680	1 680	1 645	(2)
Net Operational (Service) Expenditure	3 088	2 843	2 843	2 890	198

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 47: Financial Performance: Water Services

Chapter 3: Service Delivery Performance

3.3.2 Waste Water (Sanitation) Provision

a) Introduction to Sanitation Provision

The municipality operates sewerage waste disposal sites in Carnarvon, Vanwyksvlei and Vosburg. Conventional oxidation ponds are utilised in Carnarvon, Vanwyksvlei and Vosburg.

Carnarvon

In Carnarvon only 72 households had bucket sanitation and 264 households have a waterborne or flush system (Census 2011).

Vosburg

All the households have access to proper sanitation.

Vanwyksvlei

In Vanwyksvlei 335 households of the 419 households still have pit toilets. There is no infrastructure to deal with household grey water. Grey water is disposed of on site and sometimes into the streets. This is a potential health problem that should be investigated and solutions should be found urgently. Sanitation is one aspect that needs urgent attention to improve the quality of life of the residents of Vanwyksvlei.

Rural Farming Areas

Although accurate data is not available, it is estimated that 500 households on farms, mainly housing farm workers, do not have access to appropriate sanitation.

b) Challenges: Waste Water (Sanitation) Provision

The challenge that is experienced is as follow:

Description	Actions to address
Lack of proper sustainable sanitation in Vanwyksvlei due to a shortage of water. High water consumption by indigent households with sewerage system in Carnarvon	The pipeline must be completed and awareness created to maintain the systems

Table 48: Waste Water (Sanitation) Provision Challenge

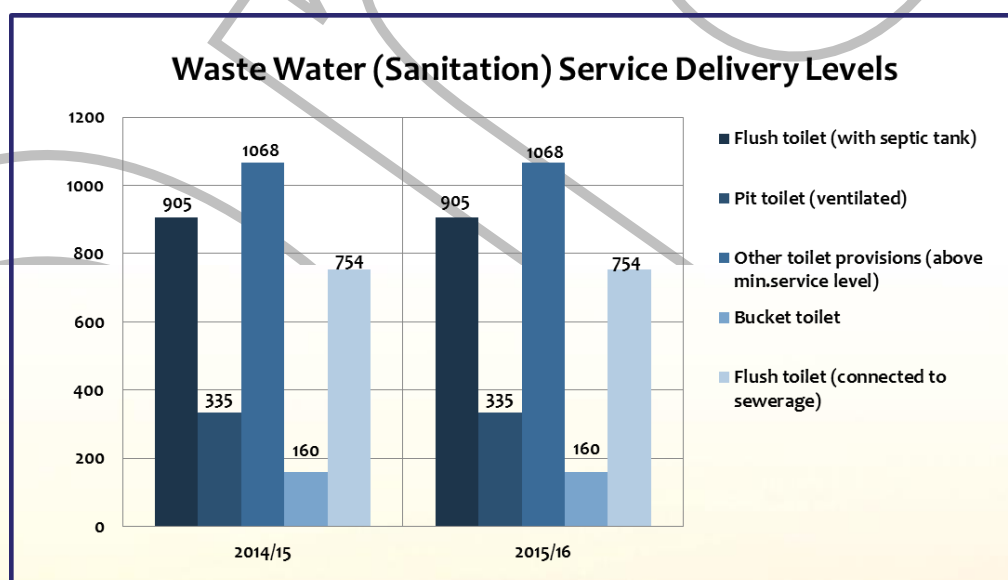
c) Services Delivery Levels: Waste Water (Sanitation) Provision

The table below specifies the different sanitation service delivery levels per household for the financial years 2014/15 and 2015/16 in the areas in which the municipality is responsible for the delivery of the services:

Chapter 3: Service Delivery Performance

Households		
Description	2014/15	2015/16
	Outcome	Actual
	No.	No.
Sanitation/sewerage: (above minimum level)		
Flush toilet (connected to sewerage)	754	754
Flush toilet (with septic tank)	905	905
Chemical toilet	0	0
Pit toilet (ventilated)	335	335
Other toilet provisions (above min.service level)	1 068	1 068
Minimum Service Level and Above sub-total	3 062	3 062
Minimum Service Level and Above Percentage	95.0%	95.0%
Sanitation/sewerage: (below minimum level)		
Bucket toilet (joint informal)	160	160
Other toilet provisions (below min.service level)	0	0
No toilet provisions	0	0
Below Minimum Service Level sub-total	160	160
Below Minimum Service Level Percentage	5.0%	5.0%
Total households	3 222	3 222
Including informal settlements		

Table 49: Waste Water (Sanitation) Provision Service Delivery Levels



Graph 6: Waste Water (Sanitation) Provision Service Delivery Levels

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d) Employees: Waste Water (Sanitation) Provision

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	6	6	0	0
4 - 6	6	4	2	33
7 - 9	3	3	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	12	10	2	17

The totals is just a calculation done (see chapter 4)

Table 50: Employees Waste Water (Sanitation) Provision

e) Financial Performance: Waste Water (Sanitation) Provision

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	3 288	2 696	2 696	2 803	4
Expenditure:					
Employees	1 302	1 328	1 328	1 520	13
Repairs and Maintenance	199	300	300	116	(159)
Other	1 690	1 716	1 716	1 788	4
Total Operational Expenditure	3 191	3 344	3 344	3 424	2
Net Operational (Service) Expenditure	97	649	649	621	(5)

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 51: Financial Performance: Waste Water (Sanitation) Services

Chapter 3: Service Delivery Performance

3.3.3 Electricity

a) Introduction to Electricity

All of the households in the formal towns of Carnarvon, Vosburg and Vanwyksvlei have electricity within their houses. This aspect is positive and will contribute largely to the social development of the residents.

All the households in Vanwyksvlei have electricity in their homes. In Carnarvon the squatters do not have electricity supply and 45 squatters in Vosburg do not have electricity in their homes. The situation in the rural farming areas is still a problem and it is estimated that most of the households are without electricity. Informal households received alternative energy.

There has been an increase in the use of electricity as an energy source and a decrease in the use of other sources of energy such as paraffin. Households using electricity as a source of energy for cooking increased from 47.5% in 1993 to 73.9% in 2011. The proportion using electricity for lighting has increased from 57% in 1996 to 84% in 2011 (Census 2011).

The energy sources utilized within the municipal area are as follows:

Towns	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar
Vanwyksvlei	375	30	0	48	0	0	0
Vosburg	297	21	0	9	0	0	3
Carnarvon	1 290	75	48	120	9	0	3
Total	1 962	126	48	177	9	0	6

Table 52: Energy Source [Statistics SA Census 2011]

The number of total households provided with Free Basic Electricity stands at 922 (Eskom area) and 226 (Municipal area)

b) Challenges: Electricity

The challenges that are experienced are as follows:

Description	Actions to address
Upgrading and maintenance of the electricity network	Funding must be sourced for the upgrading and maintenance of the electricity network
Budgetary constraints	Apply for additional funding for upgrading and maintenance of the electricity network
Shortage of skilled labour	Investigate possibilities to train staff and to increase the work force

Table 53: Electricity Challenges

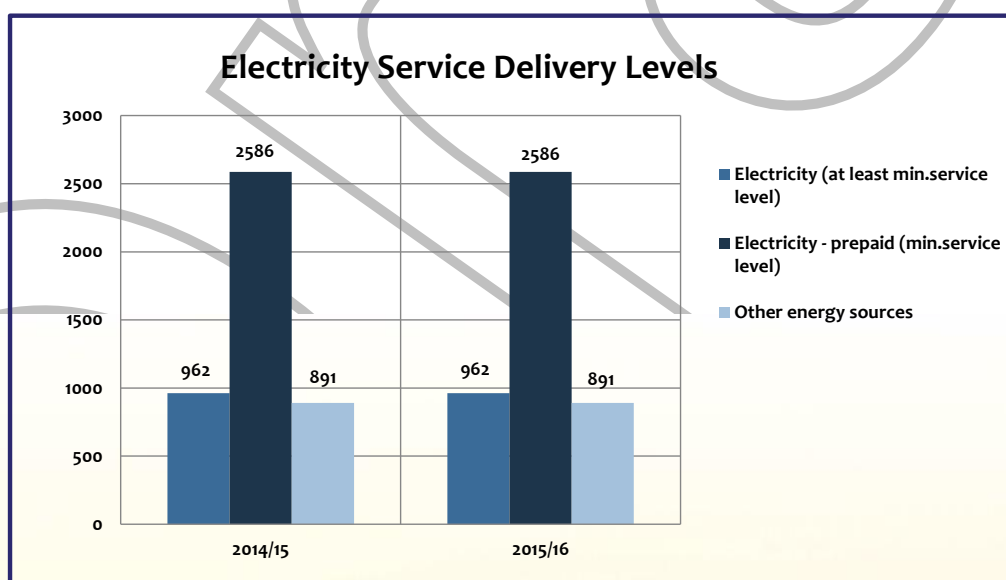
Chapter 3: Service Delivery Performance

c) Service Delivery Levels: Electricity

The table below indicates the service statics for the division:

Households		
Description	2014/15	2015/16
	Actual	Actual
	No.	No.
Energy: (above minimum level)		
Electricity (at least min.service level)	962	962
Electricity - prepaid (min.service level)	2 586	2 586
Minimum Service Level and Above sub-total	3 548	3 548
Minimum Service Level and Above Percentage	79.9%	79.9%
Energy: (below minimum level)		
Electricity (< min.service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	891	891
Below Minimum Service Level sub-total	891	891
Below Minimum Service Level Percentage	20.1%	20.1%
Total number of households	4 439	4 439

Table 54: Electricity Service Delivery Levels



Graph 7: Electricity Service Delivery Levels

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d) Employees: Electricity

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	0	0	0	0
7 - 9	1	1	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	1	1	0	0
The totals is just a calculation done (see chapter 4)				

Table 55: Employees: Electricity Services

e) Financial Performance: Electricity

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	7 618	8 591	8 591	8 819	3
Expenditure:					
Employees	180	290	290	221	(31)
Repairs and Maintenance	330	106	106	340	69
Other	9 301	9 956	9 956	10 344	4
Total Operational Expenditure	9 821	10 353	10 353	10 905	5
Net Operational (Service) Expenditure	(2 203)	(1 762)	(1 762)	(2 056)	14
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 56: Financial Performance: Electricity

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3.3.4 Waste Management (Refuse Collections, Waste Disposal, Street Cleaning and Recycling)

a) Introduction to Waste Management

Solid waste can be defined as any garbage, refuse, sludge or other discarded material resulting from industrial, commercial, institutional and residential activity. Kareeberg Municipality provides solid waste removal services in Carnarvon, Vosburg and Vanwyksvlei. The service includes collection, removal and final disposal of waste at municipal waste disposal sites.

The following waste is received at the municipal solid waste disposal sites.

Residential waste

Residential waste includes waste from households and consists mostly of paper, glass, plastics, food wastes and yard waste. Up to 90 % of waste received at the municipal dumping sites is residential waste.

Commercial and industrial waste

Commercial and industrial waste includes waste from offices, shops, clinics and schools in the area and includes mostly cardboard, paper, plastic bags, food waste and yard waste.

Building rubble

This type of waste is occasionally received at solid waste disposal sites and is mainly comprised of waste construction material from private contractors which includes left over bricks, wires, plaster board, and metal sheets.

Dumping sites

All three dumping sites in the municipal area are licensed. The sites does not fully comply with the minimum requirements for waste disposal by landfill. At present there exists insufficient enclosure of sites, uncontrolled access, inappropriate waste disposal methods etc.

Refuse removal

- Weekly refuse removal in Kareeberg is about 72.3%
- The number of households that are not provided with a refuse removal service by municipality is 27.7%

On refuse removal, the District has a backlog of 11 279 households.

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b) Challenges: Waste Management

The challenges that are experienced are as follows:

Description	Actions to address
Ageing equipment and non-compliance permits	Equipment must be upgrade in order to enhance effective service delivery and securing funding
Budgetary constraints	Apply for additional funding in order to enhance effective services delivery
Shortage of personnel	Investigate possibilities to train staff and to increase the work force

Table 57: Waste Management Challenges

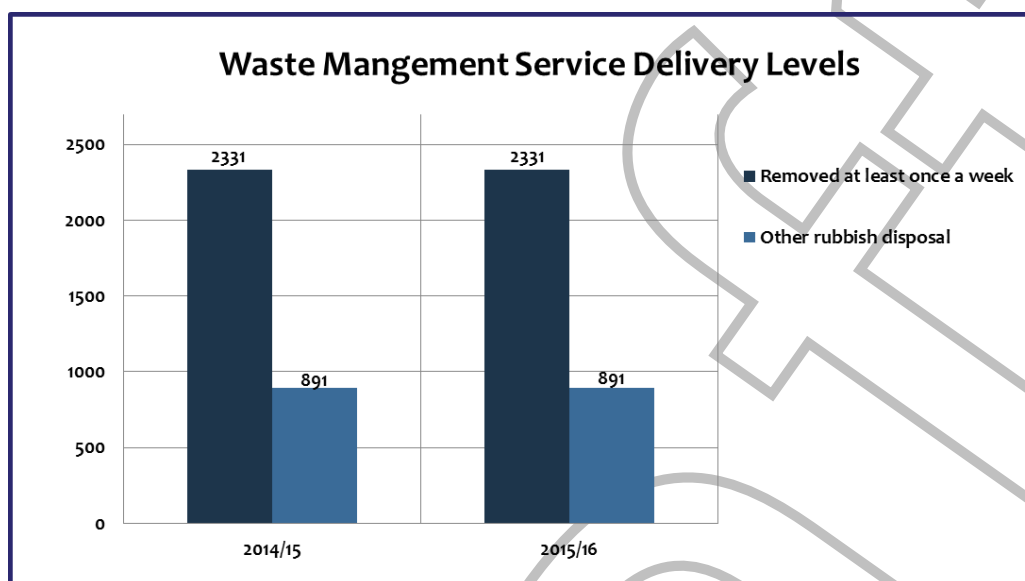
c) Service Delivery Levels: Waste Management

The table below specifies the different waste management service delivery levels per household for the financial years 2014/15 and 2015/16 in the areas in which the municipality is responsible for the delivery of the services:

Description	Households	
	2014/15	2015/16
	Actual	Actual
	No.	No.
<u>Solid Waste Removal: (Minimum level)</u>		
Removed at least once a week	2 331	2 331
Minimum Service Level and Above sub-total	2 331	2 331
Minimum Service Level and Above percentage	72.3%	72.3%
<u>Solid Waste Removal: (Below minimum level)</u>		
Removed less frequently than once a week	0	0
Using communal refuse dump	0	0
Using own refuse dump	0	0
Other rubbish disposal	891	891
No rubbish disposal	0	0
Below Minimum Service Level sub-total	891	891
Below Minimum Service Level percentage	27.7%	27.7%
Total number of households	3 222	3 222

Table 58: Waste Management Service Delivery Levels

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Graph 8: Waste Management Service Delivery Levels

d) Employees: Waste Management

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	6	5	1	0
4 - 6	0	0	0	0
7 - 9	0	0	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	6	5	1	17

The totals is just a calculation done (see chapter 4)

Table 59: Employees: Waste Management

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e) Financial Performance: Waste Management

The following table indicates the financial performance for the division:

Waste Management Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	3 417	3 757	3 757	3 603	(4)
Expenditure:					
Employees	2 475	2 775	2 775	2 632	(5)
Repairs and Maintenance	20	9	9	25	65
Other	452	667	667	399	(67)
Total Operational Expenditure	2 948	3 450	3 450	3 056	(13)
Net Operational (Service) Expenditure	469	307	307	547	44
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 60: Financial Performance: Waste Management

3.3.5 Housing

a) Introduction to Housing

Housing is not a function of the Kareeberg Municipality and therefore no municipal resources are allocated towards Housing. Housing is managed by the Northern Cape Department of Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA) and the municipality signed a service level agreement with the District Municipality for the delivery of houses.

Kareeberg Municipality was established by the amalgamation of three different municipalities with different densities, namely: Carnarvon, Vosburg and Vanwyksvlei as well as part of rural areas. Therefore, statistically Carnarvon is asessed as the biggest of other areas with 1 345 households, followed by Vanwyksvlei with 419 households and Vosburg with 255 households and lastly farms with 586 households. The total amount of Kareeberg households was 3 222 in 2011 (Census 2011).

The table below shows that Kareeberg Municipality is composed of various residential components:

Description	Formal dwelling		Informal dwelling		Traditional dwelling	
	2001	2011	2001	2011	2001	2011
Kareeberg	2 268	2 888	82	243	47	9
Statistics SA Census 2011						

Table 61: Dwelling Types

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Number of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2014/15	3 222	3 092	96.0%
2015/16	3 222	3 092	96.0%

Table 62: Households with Access to Basic Housing

The table below indicates the housing backlog:

Housing backlog	
Town	Housing need
Vanwyksvlei	130
Carnarvon	569
Vosburg	80
Total	779

Table 63: Housing Backlog

3.3.6 Free Basic Services and Indigent Support

a) Introduction

The tables below indicate the total number of households that received free basic services in the 2015/16 financial year:

Financial year	Number of households								
	Total no of HH	Free Basic Electricity		Free Basic Water		Free Basic Sanitation		Free Basic Refuse Removal	
		No. Access	%	No. Access	%	No. Access	%	No. Access	%
2015/16	2 018	1 253	62.1	1 270	62.9	951	47.4	1 270	62.9

Table 64: Free Basic Services to Indigent Households

Electricity									
Financial year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value	No. of HH	Unit per HH (kwh)	Value
			R'000			R'000			R'000
2015/16	331	50	311	0	0	0	922	50	471

Table 65: Free Basic Electricity Services to Indigent Households

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Water						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	R value per HH	Value
			R'ooo			R'ooo
2015/16	1 270	144	2 197	0	0	0

Table 66: Free Basic Water Services to Indigent Households

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	R value per HH	Value	No. of HH	R value per HH	Value
			R'ooo			R'ooo
2015/16	951	217	2 322	0	0	0

Table 67: Free Basic Sanitation Services to Indigent Households

Refuse removal						
Financial year	Indigent Households			Non-indigent households		
	No. of HH	Service per HH per week	Value	No. of HH	R value per HH	Value
			R'ooo			R'ooo
2015/16	1 270	1	2 143	0	0	0

Table 68: Free Basic Refuse Removal Services to Indigent Households per Type of Service

3.4 Component B: Road Transport

This component includes: roads; transport; and waste water (stormwater drainage).

3.4.1 Roads and Stormwater

a) Introduction to Roads and Stormwater

The road network in Kareeberg Municipality comprises the following: trunk roads (6 km), main roads (60 km), district roads (68 km) and municipal streets (70 km). The municipality is responsible for maintaining the streets in Carnarvon, Vosburg and Vanwyksvlei. These streets are comprised of approximately 10 km paved and 60 km unpaved streets.

The maintenance done is insufficient and unpaved streets are almost totally neglected. Inadequate drainage systems in unpaved areas accelerate decay of unpaved road surfaces.

The unpaved district roads in the municipality are in poor condition. After average rainstorms, most of the unpaved district roads become inaccessible to traffic. Road users are not informed or warned about the condition and accessibility of district roads after these rainstorms.

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CARNARVON

This town has the highest percentage of paved streets in the municipal area. 21% (or 6.9 km) of the town's streets are paved. Tarred streets are found only in the older town centre. The streets require overall maintenance, but funding for maintenance remains a challenge.

VOSBURG

This town has more or less 5 km of paved streets and 8 km of unpaved streets. The tarred and unpaved streets in the town centre are in good condition.

VANWYKSVLEI

This town has more or less 6 km of paved streets and 13 km of unpaved streets. The unpaved streets in the town centre are in good condition.

b) Challenges: Roads and Stormwater

The challenges that are experienced are as follows:

Description	Actions to address
Ageing and a lack of equipment to maintain roads	Equipment must be upgrade/ procured in order to maintain roads
Shortage of skilled labour	Investigate possibilities to train staff and to increase the work force
Lack of funding for the maintenance, upgrading and construction of new roads and stormwater systems	The municipality should apply for additional funding in order to maintain, upgrade and construct new roads and stormwater systems

Table 69: Roads and Stormwater Challenges

c) Statistics: Roads and Stormwater

The tables below indicate the service statics for the division:

Gravel Road Infrastructure: Kilometres				
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2014/15	22	0	0	22
2015/16	22	0	0	22

Table 70: Gravel Road Infrastructure

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Tarred Road Infrastructure: Kilometres					
Year	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2014/15	16	0	0	0	0
2015/16	16	0	0	0	0

Table 71: Tarred Road Infrastructure

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Year	New & Replacements	Resealed	Maintained
	R'ooo		
2014/15	0	0	46
2015/16	0	0	15

* The cost for maintenance include stormwater

Table 72: Cost of Construction/Maintenance of Roads and Stormwater

d) Employees: Roads and Stormwater

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	2	2	0	0
4 - 6	2	2	0	0
7 - 9	2	2	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	6	6	0	0

The totals is just a calculation done (see chapter 4)

Table 73: Employees: Roads and Stormwater

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e) Financial Performance: Roads and Stormwater

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	6	2	2	9	78
Expenditure:					
Employees	1 177	1 500	1 500	1 283	(17)
Repairs and Maintenance	186	160	160	103	(55)
Other	2 135	1 722	1 722	2 348	27
Total Operational Expenditure	3 498	3 382	3 382	3 734	(9)
Net Operational (Service) Expenditure	(3 492)	3 380	(3 380)	(3 725)	(191)
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 74: Financial Performance: Roads and Stormwater

f) Capital: Roads and Stormwater

The following table indicates the capital expenditure for this division:

Roads					
R'000					
Capital Projects	2015/16				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget %	Total Project Value
Upgrading of streets - Carnarvon	1 000	900	859	(17)	859
Upgrading of streets Suring Street - Vanwyksvlei	1 000	700	587	(70)	587
Total	2 000	1 600	1 446	(39)	1 446

Table 75: Capital Expenditure 2015/16: Roads and Stormwater

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3.5 Component C: Planning and Local Economic Development

3.5.1 Planning

This component is outsourced as part of an agreement with the District Municipality. Development in the Kareeberg Municipal area is very low and therefore applications are restricted to one or two applications per year.

3.5.2 Local Economic Development (Including Tourism and Market Places)

a) Economic Activity by Sector

The following table indicates the economic activity by sector:

Economic Activity by Sector		
R '000		
Sector	2014/15	2015/16
Agriculture, forestry and fishing	0	0
Mining and quarrying	0	0
Manufacturing	0	0
Wholesale and retail trade	0	0
Finance, property, etc.	0	0
Government, community and social services	0	0
Infrastructure services	7 848	5 828
Total	7 848	5 828

Table 76: Economic Activity by Sector

b) Job Creation: EPWP

The table below indicates the jobs created through EPWP projects:

Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2014/15	2	130
2015/16	1	30

Table 77: Job Creation through EPWP Projects

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c) Employees: LED

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	0	0	0	0
7 - 9	1	1	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	1	1	0	0
The totals is just a calculation done (see chapter 4)				

Table 78: Employees: LED

3.6 Component D: Community and Social Services

3.6.1 Library Services

a) Introduction to Library Services

There are two libraries in Carnarvon and one each in Vanwyksvlei and Vosburg. Council strives to give the beste services possible to the community through its libraries. All libraries have internet services, copy facilities and daily newspaper and magazines.

b) Service Statistics for Library Services

The table below indicates the service statics for the division:

Type of service	2014/15	2015/16
Number of libraries	4	4
Library members	0	0
Books circulated	63 262	43 624
Internet users	905	422
Children programmes	12	12
Visits by school groups	22	25
Book group meetings	2	2

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Table 79: Service Statistics for Library Services

c) Employees: Library Services

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	2	2	0	0
4 - 6	2	2	0	0
7 - 9	2	1	1	50
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	0	0	0	0
Total	6	5	1	17

The totals is just a calculation done (see chapter 4)

Table 80: Employees: Library Services

d) Financial Performance: Library Services

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	13	7	7	17	59
Expenditure:					
Employees	814	1 117	1 117	515	(117)
Repairs and Maintenance	11	23	23	9	(156)
Other	238	106	235	274	61
Total Operational Expenditure	1 063	1 246	1 375	798	(56)
Net Operational (Service) Expenditure	(1 050)	(1 239)	(1 368)	(781)	(59)

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 81: Financial Performance: Library Services

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e) Capital: Library Services

The following table indicates the capital expenditure for this division:

Library Services					
R'000					
Capital Projects	2015/16				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Upgrading of cemeteries	0	356	190	100%	190
Upgrading of library	0	0	132	100%	132
Accrual of Game	0	0	47	100%	47
Total	0	356	369	100%	369

Table 82: Capital Expenditure 2015/16: Library Services

3.7 Component E: Security and Safety

The Municipality does not delivery Security and Safety Services (traffic; law enforcement; fire and disaster management).

The municipality does not have a Traffic Department and the Provincial Traffic Department provides an ad hoc traffic service in the municipal area. Vehicle licensing is done on an agency basis for the Provincial Traffic Department. Disaster Management is only done on an ad hoc basis by means of volunteers.

3.8 Component F: Sport and Recreation

3.8.1 Sport and Recreation

a) Introduction to Sport and Recreation

Formal sport and recreation centres, that are properly equipped and maintained, can only be found in Carnarvon. There are no formal facilities in Vanwyksvlei.

b) Highlights: Sport and Recreation

The table below specifies the highlight for the year:

Highlight	Description
Upgrading of the Carnarvon Sport Complex	The Carnarvon Sport complex was upgrade and phase 2 was completed

Table 83: Sport and Recreation Highlight

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c) Challenges: Sport and Recreation

The challenges that are experienced are as follows:

Description	Actions to address
Upgrading and maintenance of sport facilities in the region	Applications must be made for funding in order to upgrade and maintain sport facilities
Swimming pool closed due to water restrictions	The pool will re-open if/when there are sufficient water

Table 84: Sport and Recreation Challenges

d) Service Statistics for Sport and Recreation

The table below indicates the service statics for the division:

Type of service	2014/15	2015/16
Community parks		
Number of parks with play park equipment	1	1
Number of wards with community parks	0	0
Swimming pools		
Number of visitors per annum	1 120	0
Sport fields		
Number of wards with sport fields	3	3
Sport halls		
Number of wards with sport halls	0	0

Table 85: Service Statistics for Sport and Recreation

e) Financial Performance: Sport and Recreation

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	55	17	17	46	62
Expenditure:					
Employees	506	470	470	481	2
Repairs and Maintenance	18	44	44	22	(96)
Other	180	212	212	120	(76)
Total Operational Expenditure	704	725	725	623	(16)
Net Operational (Service) Expenditure	(648)	(708)	(708)	(577)	(23)

Variances are calculated by dividing the difference between the actual and original budget by the actual.

Table 86: Financial Performance: Sport and Recreation

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f) Capital: Sport and Recreation

The following table indicates the capital expenditure for this division:

Libraries					
R'000					
Capital Project	2015/16				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget %	Total Project Value
Upgrading of sport complex phase2 - Carnarvon	1 228	4 257	3 933	69	4 257

Table 87: Capital Expenditure 2015/16: Sport and Recreation

3.9 Component G: Corporate Policy Offices and Other Services

This component includes: executive and council; financial services; human resource services; ICT services; legal services; and procurement services.

3.9.1 Executive and Council

This component includes: Executive office (mayor; councilors; and municipal manager).

a) Employees: Executive and Council

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	0	0	0	0
7 - 9	0	0	0	0
10 - 12	0	0	0	0
13 - 15	0	0	0	0
16 - 18	0	0	0	0
19 - 20	1	1	0	0
Total	1	1	0	0

The totals is just a calculation done (see chapter 4)

Table 88: Employees: Office of the Municipal Manager

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b) Financial Performance: Executive and Council

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	25 694	28 108	20 612	24 624	(14)
Expenditure:					
Employees	4 169	3 947	3 947	4 003	1
Repairs and Maintenance	1 296	729	729	729	0
Other	13 095	18 735	18 835	15 365	(22)
Total Operational Expenditure	18 559	23 411	23 510	20 097	(16)
Net Operational (Service) Expenditure	7 135	4 697	2 898	4 527	(4)
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 89: Financial Performance: Executive and Council

3.9.2 Financial Services

a) Introduction: Financial Services

The South African government faces high expectations of performance in tandem with potentially crippling problems. Non-payment for services by end-users is both a product of and a cause of the major and most frequently encountered inadequacies in local authorities. As a result, this reflects existing weaknesses in local administration, representation and financial management. Non-payment can indeed become a major obstacle, both to national plans to deliver municipal infrastructure, and to local ambitions that revolve around the same process.

The primary causes can thus be ascribed to the failings of the political and administrative systems, particularly at local level. This can and should be solved by better management of the systems to ensure the institutional and financial viability of local authorities. The failure of the Masakhane Campaign can, to a large degree, be attributed to the non-affordability of those to whom services were rendered in particular areas, and the inability of the local authority to adequately bill them for services rendered. The rates of non-payment for services in Kareeberg are average whilst the method of calculation varies among local government substructures. This poses great difficulty for development planning processes and ultimately the budgeting for maintenance of services.

Possible solutions to some of the above problems include:

- -institutionalisation of representative systems
- -Responsiveness of councillors and officials to residents in terms of transparency
- -appropriate tariffs and levels of services

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- -effective punitive measures based on consistency and rareness of implementation
- -effective communication between the administration and residents
- -appropriate infrastructure delivery mechanisms
- -Privatisation and public/private partnerships

b) Employees: Financial Services

The following table indicates the staff composition for this division:

Job Level	2015/16			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 - 3	0	0	0	0
4 - 6	1	1	0	0
7 - 9	7	6	1	14
10 - 12	1	1	0	0
13 - 15	1	1	0	0
16 - 18	1	1	0	0
19 - 20	0	0	0	0
Total	11	10	1	9
The totals is just a calculation done (see chapter 4)				

Table 90: Employees: Financial Services

c) Financial Performance: Financial Services

The following table indicates the financial performance for the division:

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'ooo				%
Total Operational Revenue	12 716	17 583	17 867	13 847	(27)
Expenditure:					
Employees	3 668	4 673	4 673	3 988	(17)
Repairs and Maintenance	253	198	198	280	29
Other	5 212	4 322	4 222	6 105	29
Total Operational Expenditure	9 133	9 192	9 093	10 373	11
Net Operational (Service) Expenditure	3 583	8 390	8 774	3 474	(142)
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

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Table 91: Financial Performance: Financial Services

d) Capital: Financial Performance: Financial Services

The following table indicates the capital expenditure for this division:

Capital Expenditure: Financial Services					
R'000					
Capital Project	2015/16				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget %	Total Project Value
Building /furniture	1 228	266	237	100	237

Table 92: Capital Expenditure 2015/16: Financial Services

3.9.3 Procurement Services

a) Service Statistics for Procurement Services

The table below indicates the service statics for the division:

Description	Total No	Total Cost
Requests processed	225	3 659 854
Orders processed	225	0
Requests cancelled or referred back	0	0
Extensions	0	0
Bids received (number of documents)	6	0
Bids awarded	6	5 613 215
Bids awarded ≤ R200 000	6	5 613 215
Appeals registered	0	0
Successful Appeals	0	0

Table 93: Service Statistics for Procurement Division

b) Details of Deviations for Procurement Services

The following table indicates the details of deviations:

Type of deviation	Number of deviations	%	Value of deviations (R)	Percentage of total deviations value
Clause 36(1)(a)(i)- Emergency	14	10	44 601	0.66
Clause 36(1)(a)(ii)-Sole Supplier	56	40	969 792	14.40
Clause 36(1)(a)(iii)- Unique arts	0	0	0	0

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Type of deviation	Number of deviations	%	Value of deviations (R)	Percentage of total deviations value
Clause 36(1)(a)(v)- Impractical / impossible	69	50	5 719 702	84.94
Total	139	100	6 734 095	100

Table 94: Statistics of Deviations from the SCM Policy

3.10 Component G: Service Delivery Priorities For 2016/17

The main development and service delivery priorities for 2015/16 forms part of the Municipality's top layer SDBIP for 2016/17 and are indicated in the table below:

3.10.1 Development and Service Delivery Priorities for 2016/17

- a) *To develop a positive organisational ethic and culture through effective utilisation of human resources, legislative guidelines and policies, skills development and policies of council*

Ref	KPI	Unit of Measurement	Ward	Annual Target
TL1	Compile and submit the Risk Based Audit Plan (RBAP) for 2017/18 to the Audit committee by 30 June 2017	Risk Based Audit Plan (RBAP) for 2017/18 submitted to the Audit committee by 30 June 2017	All	1
TL17	The number of people from employment equity target groups employed in the three highest levels of management in compliance with the equity plan	Number of people employed	All	0
TL18	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2017 [(Actual amount spent on training/total operational budget)x100]	% of the municipality's personnel budget on training by 30 June 2017 (Actual amount spent on training/total personnel budget)x100	All	0.10%
TL19	Limit the vacancy rate to less than 10% of budgeted posts by 30 June 2017 ((Number of posts filled/Total number of budgeted posts)x100)	% vacancy rate of budgeted posts by 30 June 2017 (Number of posts filled/Total number of budgeted posts)x100	All	10%
TL22	Submit the reviewed Organogram to Council by 30 June 2017	Organogram submitted to Council by 30 June 2017	All	1
TL23	Submit the Draft Annual Report to Council by 31 January 2017	Draft Annual Report submitted to Council by 31 January 2017	All	1
TL24	Submit the Draft IDP to Council by 31 March 2017	Draft IDP submitted to Council by 31 March 2017	All	1

Table 95: Service Delivery Priorities– *To develop a positive organisational ethic and culture through effective utilisation of human resources, legislative guidelines and policies, skills development and policies of council*

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- b) *To enhance communication, civil engagement and liaison to involve all stakeholders in active council structures and programmes to enhance understanding, partnership, collaboration and commitment*

Ref	KPI	Unit of Measurement	Ward	Annual Target
TL21	Establishment of 4 new ward committees by 31 March 2017	Number of ward committees established	All	4

Table 96: Services Delivery Priorities - To enhance communication, civil engagement and liaison to involve all stakeholders in active council structures and programmes to enhance understanding, partnership, collaboration and commitment

- c) *To facilitate the development of sustainable and viable settlements within the municipal area.*

Ref	KPI	Unit of Measurement	Ward	Annual Target
TL9	60% of the sport and recreation maintenance budget spent by 30 June 2017 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the sport and recreation maintenance budget spent by 30 June 2017 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	All	60%
TL12	90% spent of the total amount budgeted for the tennis court, high mass light and caretaker house by 30 June 2017 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	All	90%

Table 97: Services Delivery Priorities - To facilitate the development of sustainable and viable settlements within the municipal area

- d) *To improve the financial viability of the municipality through the development and design of an improved credit control and debt collection mechanism to ensure revenue enhancement within the municipality*

Ref	KPI	Unit of Measurement	Ward	Annual Target
TL34	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2017 ((Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)	% debt coverage	All	0%
TL35	Financial viability measured in terms of the outstanding service debtors as at 30 June 2017 ((Total outstanding service debtors/ revenue received for services)x100)	% of outstanding service debtors to revenue received for services	All	10.50%
TL36	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2017 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months it takes to cover fix operating expenditure with available cash	All	3

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Ref	KPI	Unit of Measurement	Ward	Annual Target
TL37	Submit the annual financial statements for 2015/16 to AGSA by 31 August 2016	Annual financial statements for 2015/16 submitted to AGSA by 31 August 2016	All	1
TL38	Submit the draft main budget for 2017/18 to Council by 31 March 2017	Draft main budget for 2017/18 submitted to Council by 31 March 2017	All	1
TL39	Achieve a debtor payment percentage of 55% by 30 June 2017 $\{(\text{Gross Debtors Closing Balance} + \text{Billed Revenue} - \text{Gross Debtors Opening Balance} + \text{Bad Debts Written Off}) / \text{Billed Revenue}\} \times 100$	% debtor payment achieved	All	55%

Table 98: Services Delivery Priorities - To improve the financial viability of the municipality through the development and design of an improved credit control and debt collection mechanism to ensure revenue enhancement within the municipality

e) *To provide a reliable service in line with the vision of Council for the peoples of Kareeberg in order to uphold the Council's values for development*

Ref	KPI	Unit of Measurement	Ward	Annual Target
TL3	Limit % electricity unaccounted for to 20% by 30 June 2017 $\{(\text{Number of Electricity Units Purchased} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased}\} \times 100$	% Electricity unaccounted for $(\text{Number of Electricity Units Purchased} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased} \times 100$	All	20%
TL4	Limit % water unaccounted for to 25% by 30 June 2017 $\{(\text{Number of Kilolitres Water Purchased or Purified} - \text{Number of Kilolitres Water Sold}) / (\text{Number of Kilolitres Water Purchased or Purified}) \times 100\}$	% Water unaccounted for $(\text{Number of Kilolitres Water Purchased or Purified} - \text{Number of Kilolitres Water Sold}) / (\text{Number of Kilolitres Water Purchased or Purified}) \times 100$	All	25%
TL5	60% of the electricity maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	% of the electricity maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	All	60%
TL6	60% of the roads and stormwater maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	% of the roads and stormwater maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	All	60%
TL7	60% of the sewerage maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	% of the sewerage maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	All	60%
TL8	60% of the water maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	% of the water maintenance budget spent by 30 June 2017 $\{(\text{Actual expenditure on maintenance divided by the total approved maintenance budget}) \times 100\}$	All	60%
TL10	90% of water samples taken comply with SANS241 micro biological indicators $\{(\text{Number of water samples that comply with SANS21 indicators} / \text{Number of water samples tested}) \times 100\}$	% of water samples compliant	All	90%

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Ref	KPI	Unit of Measurement	Ward	Annual Target
TL11	90% spent of the total amount budgeted for the Saaipoort water pipe line by 30 June 2017 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	4	90%
TL13	90% spent of the total amount budgeted for the sewerage pipe line in Vosburg by 30 June 2017 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	3	90%
TL14	90% spent of the total amount budgeted to pave Mark Street by 30 June 2017 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	1	90%
TL15	90% spent of the total amount budgeted to pave Hanekam Street by 30 June 2017 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	4	90%
TL16	90% spent of the total amount budgeted to upgrade the electricity network by 30 June 2017 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	All	90%
TL20	90% spent of the library grant by 30 June 2017 ((Actual expenditure divided by the approved budget)x100)	% of the library grant spent by 30 June 2017 ((Actual expenditure divided by the approved budget)x100)	All	90%
TL25	Number of formal residential properties that receive piped water (credit) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2017	Number of residential properties which are billed for water	All	1,929
TL26	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2017	Number of residential properties which are billed for sewerage	All	1,600
TL27	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2017	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2017	All	650
TL28	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2017	Number of residential properties which are billed for refuse removal	All	1,929
TL29	Provide free basic water to indigent households as at 30 June 2017	Number of indigent households receiving free basic water	All	1,200
TL30	Provide free basic sanitation to indigent households as at 30 June 2017	Number of indigent households receiving free basic sanitation services	All	1,200
TL31	Provide free basic electricity to indigent households as at 30 June 2017	Number of indigent households receiving free basic electricity	All	1,070

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Ref	KPI	Unit of Measurement	Ward	Annual Target
TL32	Provide free basic refuse removal to indigent households as at 30 June 2017	Number of indigent households receiving free basic refuse removal services	All	1,200
TL33	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2017 [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	% of capital budget spent on capital projects by 30 June 2017	All	90%

Table 99: Service Delivery Priorities - To provide a reliable service in line with the vision of Council for the peoples of Kareeberg in order to uphold the Council's values for development

f) *To stimulate economic growth through infrastructure investment and development within the municipality and empower the community through linking with projects that are labour intensive*

Ref	KPI	Unit of Measurement	Ward	Annual Target
TL2	Create temporary jobs opportunities in terms of EPWP by 30 June 2017	Number of job opportunities created by 30 June 2017	All	30

Table 100: Service Delivery Priorities - To stimulate economic growth through infrastructure investment and development within the municipality and empower the community through linking with projects that are labour intensive

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CHAPTER 4

4.1 Introduction to the Municipal Workforce

The Municipality currently employs **60** (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.1.1 Employment Equity

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

a) Employment Equity vs. Population

Description	African	Coloured	Indian	White	Total
Population numbers	562	9 936	56	1 062	11 673
% Population	4.8	85.1	0.5	9.1	100
Number for positions filled	0	55	0	9	64
% for Positions filled	0	85.94	0	14.06	100

Table 101: EE Population

b) Specific Occupational Categories

The table below indicates the number of employees within the specific occupational categories:

Occupational	Male				Female				Total
Levels	A	C	I	W	A	C	I	W	
Top Management	0	1	0	3	0	0	0	0	4
Senior management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid- management	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	1	0	2	0	0	0	1	4
Semi-skilled and discretionary decision making	0	11	0	0	0	8	0	2	21
Unskilled and defined decision making	0	11	0	0	0	19	0	0	30
Total permanent	0	24	0	5	0	27	0	4	60

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Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Non- permanent employees	0	0	0	0	0	4	0	0	4
Grand total	0	24	0	5	0	31	0	4	64

Table 102: Occupational Categories

4.1.2 Vacancy Rate

The approved organogram for the municipality had 68 posts for the 2015/16 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 8 Posts were vacant at the end of 2015/16, resulting in a vacancy rate of 12%.

Below is a table that indicates the vacancies within the municipality:

a) Vacancy Rate per Post and Department

Employees					
Description	2014/15	2015/16			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	5	5	5	0	0
Waste Water (Sanitation)	12	12	10	2	17
Electricity	1	1	1	0	0
Waste Management	6	6	5	1	17
Housing	0	0	0	0	0
Waste Water (Stormwater Drainage)	0	0	0	0	0
Roads	7	7	6	1	14
Planning	0	0	0	0	0
Financial Services	11	11	10	1	9
Local Economic Development	1	1	1	0	0
Community and Social Services	15	15	14	1	7
Security and Safety	0	0	0	0	0
Sport and Recreation	0	0	0	0	0
Office of the Municipal Manager	1	1	1	0	0
Public Works	9	9	7	2	22
Totals	68	68	60	8	12

Table 103: Vacancy Rate Per Post and Department

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4.1.3 Turnover Rate

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality

The table below indicates the turn-over rate over the last two years:

Financial year	Total no appointments at the end of each Financial Year	New appointments	No Terminations during the year	Turn-over Rate
2014/15	60	6	8	13.3
2015/16	60	6	8	13.3

Table 104: Turnover Rate

4.2 Managing the Municipal Workforce

Managing the municipal workforce refers to analyzing and coordinating employee behavior.

4.2.1 Injuries

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

In the 2014/15 financial year, no employees were injured compared to the 2015/16 financial year during which 2 employees were injured.

The table below indicates the total number of injuries within the different directorates:

Directorates	2014/15	2015/16
Municipal Manager	0	0
Corporate Services	0	0
Financial Services	0	0
Infrastructure Services	0	2
Community Services	0	0
Total	0	2

Table 105: Injuries

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4.2.2 Sick Leave

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees that have taken sick leave during the 2015/16 financial year shows a decrease when comparing it with the 2014/15 financial year.

The table below indicates the total number sick leave days taken within the different directorates:

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post	Average sick leave per Employees	Estimated cost
	Days	%	No	No	Days	R
Lower skilled (Levels 1-2)	253	2%	22	37	6.9	91
Skilled (Levels 3-5)	65	0%	11	18	3.6	56
Highly skilled production (levels 6-8)	0	0	0	0	0	0
Highly skilled supervision (levels 9-12)	0	0%	0	0	0	0
Senior management (Levels 13-15)	12	0%	0	1	12	16
MM and S56	38	0%	3	4	9.5	88
Total	368	0%	36	60	6.1	251

Table 106: Sick Leave

4.2.3 HR Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved and that still needs to be developed:

Approved policies	
Name of policy	Yes/No
Affirmative Action	Yes
Attraction and Retention	Yes
Code of Conduct for employees	Yes
Delegations, Authorisation & Responsibility	Yes
Disciplinary Code and Procedures	Yes
Essential Services	Yes
Employment Equity	Yes

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Approved policies	
Grievance Procedures	Yes
HIV/Aids	Yes
Human Resource and Development	Yes
Information Technology	Yes
Job Evaluation	Yes
Leave	Yes
Occupational Health and Safety	Yes
Official Housing	Yes
Official Journeys	Yes
Official Working Hours and Overtime	Yes
Organisational Rights	Yes
Payroll Deductions	Yes
Performance Management and Development	Yes
Remuneration Scales and Allowances	Yes
Skills Development	Yes
Smoking	Yes
Uniforms and Protective Clothing	Yes

Table 107: HR Policies and Plans

4.3 Capacitating the Municipal Workforce

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

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4.3.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

Skills Matrix								
Management level	Gender	Employees in post as at 30 June	Number of skilled employees required and actual as at 30 June					
			Learnerships		Skills programmes and other short courses		Total	
		No.	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
MM and s57	Female	0	0	0	0	0	0	0
	Male	4	1	0	0	0	0	0
Councillors, senior officials and managers	Female	3	0	0	0	0	0	0
	Male	5	0	0	0	0	0	0
Technicians and associate professionals*	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Professionals	Female	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0
Sub total	Female	3	0	0	0	0	0	0
	Male	9	1	0	0	0	0	0
Total		12	1	0	0	0	0	0
*Registered with professional Associate Body e.g CA (SA)								

Table 108: Skills Matrix

4.3.2 Skills Development – Training Provided

The Skills Development Act (1998) and the MSA, require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Skills programmes & other short courses
		Total
		Actual
MM and S57	Female	0
	Male	0
Legislators, senior officials and managers	Female	1
	Male	0
Professionals	Female	0

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Occupational categories	Gender	Skills programmes & other short courses
		Total
		Actual
	Male	0
Technicians and associate professionals	Female	0
	Male	0
Clerks	Female	1
	Male	1
Service and sales workers	Female	0
	Male	0
Craft and related trade workers	Female	0
	Male	0
Plant and machine operators and assemblers	Female	0
	Male	0
Elementary occupations	Female	0
	Male	0
Sub total	Female	2
	Male	1
Total		3

Table 109: Skills Development

4.3.3 Skills Development - Budget Allocation

The table below indicates that a total amount of R5 000 were allocated to the workplace skills plan and of that 0% of the total amount was spent in the 2015/16 financial year:

Year	Total Allocated (R)	Total Spend (R)	% Spent
2014/15	5 000	0	0
2015/16	5 000	0	0

Table 110: Budget Allocated and Spent for Skills Development

Personnel attended financial training paid by FMG.

4.3.4 MFMA Competencies

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

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To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in municipal finance management. In terms of the Government Notice 493 of 15 June 2007, “(1) No municipality or municipal entity may, with effect 1 January 2013, employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations.”

6 Employees were identified to obtain the abovementioned qualification and prescribed competencies.

From the above mentioned it is clear that most of our staff will comply with the requirements of the Government Notice 493 of June 2007.

The table below provides details of the financial competency development progress as required by the regulation:

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials				
Accounting officer	1	1	1	1
Chief Financial Officer	1	1	1	1
Senior Managers	2	2	2	2
Any other financial officials	8	1	0	1
Supply Chain Management Officials				
Heads of supply chain management units	0	0	0	0
Supply chain management senior managers	0	0	0	0
Total	12	5	4	6

Table 111: Budget Allocated and Spent for Skills Development

4.4 Managing the Municipal Workforce Expenditure

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

4.4.1 Personnel Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past two financial years and that the municipality is within the national norm of between 35 to 40%:

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Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	
2014/15	16 252	49 825	32.61
2015/16	17 101	53 830	31.76

Table 112: Personnel Expenditure

Below is a summary of Councilor and staff benefits for the year under review:

Financial year	2014/15	2015/16		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Councillors (Political Office Bearers plus other)				
Salary	1 413	1 426	1 426	1 495
Pension Contributions	0	0	0	0
Medical Aid Contributions	0	0	0	0
Motor vehicle allowance	471	475	475	498
Cell phone allowance	136	161	161	136
Housing allowance	0	0	0	0
Other benefits or allowances	0	0	0	0
Sub Total	2 020	2 062	2 062	2 129
% increase/ decrease	-	2.08	0.00	3.25
Senior Managers of the Municipality				
Basic Salaries and Wages	2 639	2 912	2 912	2 827
Pension and UIF Contributions	315	418	418	334
Medical Aid Contributions	120	139	129	129
Overtime	0	0	0	0
Performance Bonus	146	203	321	420
Motor Vehicle Allowance	440	466	470	470
Cellphone Allowance	60	0	0	60
Housing Allowances	0	0	0	0
Other benefits and allowances	192	29	234	234
Sub Total	3 912	4 166	4 474	4 474
% increase/ decrease	-	6.49	7.39	0.00
Other Municipal Staff				
Basic Salaries and Wages	9 411	9 114	11 796	9 316
Pension and UIF Contributions	1 248	1 505	1 505	1 253

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Financial year	2014/15	2015/16		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Medical Aid Contributions	324	486	486	324
Overtime	496	300	300	638
Performance Bonus	0	0	0	0
Motor Vehicle Allowance	73	77	77	84
Cellphone Allowance	0	0	0	0
Housing Allowances	11	9	9	129
Other benefits and allowances	93	506	506	171
Payments in lieu of leave	0	0	0	422
Long service awards	32	0	0	76
Post-retirement benefit obligations	406	719	719	214
Sub Total	12 094	12 716	15 398	12 627
% increase/ decrease	-	5.14	21.09	(18.00)
Total Municipality	18 026	18 944	21 626	17 101
% increase/ decrease	-	5.09	14.16	(20.92)

Table 113: Personnel Expenditure

Chapter 5: Financial Performance

CHAPTER 5

This chapter provides details regarding the financial performance of the municipality for the 2015/16 financial year.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality.

5.1 Financial Summary

The table below indicates the summary of the financial performance for the 2015/16 financial year:

The table below shows a summary of performance against budgets:

Financial Summary						
R'000						
Description	2014/15	2015/16			2015/16 %Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	4 198	4 353	4 353	4 438	1.92	1.92
Service charges	17 950	19 564	19 564	19 758	0.98	0.98
Investment revenue	1 593	1 297	1 297	1 808	28.28	28.28
Transfers recognised - operational	19 552	23 060	23 492	22 742	-1.40	-3.30
Other own revenue	3 146	9 081	9 365	2 151	-322.26	-335.46
Total Revenue (excluding capital transfers and contributions)	46 438	57 356	58 072	50 898	-12.69	-14.09
Employee costs	16 253	16 881	19 563	17 101	1.29	-14.40
Remuneration of councilors	2 020	2 062	2 062	2 129	3.14	3.14
Depreciation & asset impairment	3 166	4 323	4 323	3 406	-26.93	-26.93
Finance charges	1 809	831	831	1 989	58.23	58.23
Materials and bulk purchases	8 119	9 698	9 698	8 627	-12.41	-12.41
Transfers and grants	8 018	9 303	8 986	8 976	-3.65	-0.11
Other expenditure	10 481	16 057	14 308	11 603	-38.38	-23.31
Total Expenditure	49 867	59 156	59 772	53 832	-9.89	-11.03
Surplus/(Deficit)	(3 429)	(1 800)	(1 700)	(2 934)	38.64	42.05
Transfers recognised - capital	10 026	7 928	10 285	7 404	-7.07	-38.90
Contributions recognised - capital & contributed assets	0	0	0	0	0	0

Chapter 5: Financial Performance

Financial Summary						
R'000						
Description	2014/15	2015/16			2015/16 %Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Surplus/(Deficit) after capital transfers & contributions						
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	10 026	7 928	10 385	7 042	-12.58	-47.47
Public contributions & donations	0	0	0	362	100.00	100.00
Borrowing	0	0	0	0	0	0
Internally generated funds	0	0	0	0	0	0
Total sources of capital funds	10 026	7 928	10 385	7 404	-7.08	-40.26
Financial position						
Total current assets	25 412	31 320	32 639	27 065	-15.72	-20.59
Total non-current assets	124 637	130 628	129 697	127 886	-2.14	-1.42
Total current liabilities	5 061	6 885	6 885	4 472	-53.96	-53.96
Total non-current liabilities	29 984	12 530	12 530	31 005	59.59	59.59
Community wealth/Equity	115 003	142 534	141 602	119 474	-19.30	-18.52
Cash flows						
Net cash from (used) operating	9 783	10 323	12 780	7 965	-29.60	-60.44
Net cash from (used) investing	(10 044)	(7 928)	(10 385)	(7 109)	-11.52	-46.08
Net cash from (used) financing	25	18	18	21	13.90	13.90
Cash/cash equivalents at the year end	(236)	2 413	2 413	877	-175.08	-175.08
Cash backing/surplus reconciliation						
Cash and investments available	22 376	25 282	25 282	23 253	-8.73	-8.73
Application of cash and investments	0	0	0	0	0	0
Balance - surplus (shortfall)	22 376	25 282	25 282	23 253	-8.73	-8.73
Asset management						
Asset register summary (WDV)	105 824	129 353	128 421	110 035	-17.56	-16.71
Depreciation & asset impairment	18 558	4 323	432	21 438	79.83	97.98
Renewal of Existing Assets	0	0	0	0	0	0
Repairs and Maintenance	880	985	2 792	930	-5.91	-200.22
Free services						
Cost of Free Basic Services provided	0	0	0	0	0	0
Revenue cost of free services provided	8 018	8 976	8 976	8 976	0.00	0.00

Chapter 5: Financial Performance

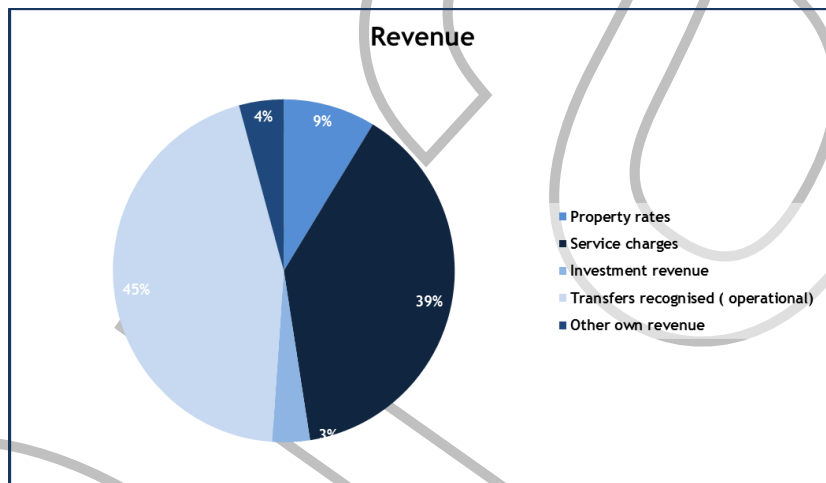
Financial Summary						
R'000						
Description	2014/15	2015/16			2015/16 %Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 114: Financial Performance 2015/16

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'ooo				R'ooo			
2014/15	51 979	57 124	5 145	10	53 779	49 825	3 954	7
2015/16	58 072	58 300	228	0	59 772	53 830	5 942	10

Table 115: Performance Against Budgets

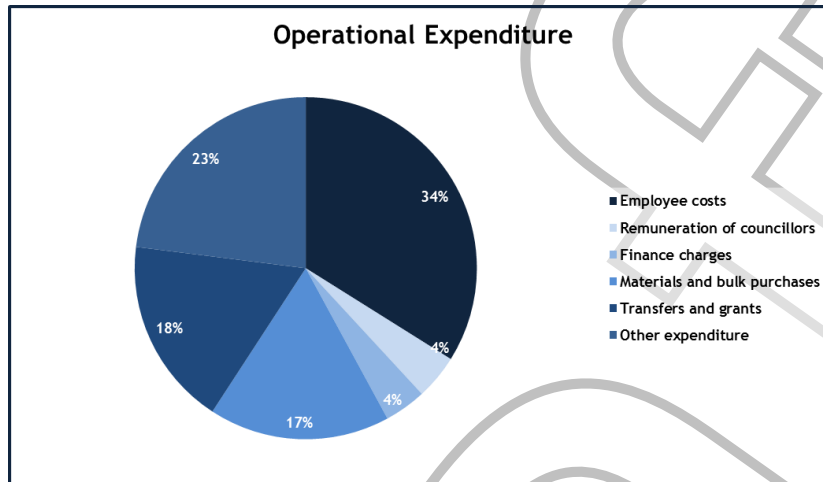
The following graph indicates the various types of revenue items in the municipal budget for 2015/16



Graph 9: Revenue

Chapter 5: Financial Performance

The following graph indicates the various types of expenditure items in the municipal budget for 2015/16



Graph 10: Operating Expenditure

5.1.1 Revenue Collection by Vote

The table below indicates the revenue collection performance by vote:

Vote Description	2014/15	2015/16			2015/16 % Variance	
	Actual(Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'ooo				%	
Vote 1 - Executive and Council	25 694	17 823	20 612	24 624	27.62	16.29
Vote 2 - Finance and Administration	12 716	17 583	17 867	13 847	-26.98	-29.03
Vote 3 - Community and Social Services	14	7	7	17	58.82	58.82
Vote 4 - Public Safety	0	1	1	0	0	0
Vote 5 - Sport and recreation	55	17	17	46	63.04	63.04
Vote 6 - Road Transport	6	2	2	9	77.78	77.78
Vote 7 - Waste Management	3 417	3 757	3 757	3 603	-4.27	-4.27
Vote 8 - Waste Water Management	3 288	2 696	2 696	2 803	3.82	3.82
Vote 9 - Electricity	7 618	8 591	8 591	8 819	2.59	2.59
Vote 10 - Water	4 319	4 522	4 522	4 535	0.29	0.29
Total Revenue by Vote	57 127	54 999	58 072	58 303	5.67	0.40

Table 116: Revenue by Vote

Chapter 5: Financial Performance

5.1.2 Revenue Collection by Source

The table below indicates the revenue collection performance by source for the 2015/16 financial year:

Description	2014/15	2015/16			2015/16 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Property rates	4 198	4 353	4 353	4 438	99.90	99.90
Property rates - penalties & collection charges	221	190	190	195	99.90	99.90
Service Charges - electricity revenue	7 618	8 591	8 591	8 819	99.90	99.90
Service Charges - water revenue	4 319	4 523	4 523	4 535	99.90	99.90
Service Charges - sanitation revenue	2 598	2 696	2 696	2 803	99.90	99.90
Service Charges - refuse revenue	3 414	3 756	3 756	3 601	99.90	99.90
Service Charges - other	0	0	0	0	0	0
Rentals of facilities and equipment	395	339	339	327	99.90	99.90
Interest earned - external investments	1 593	1 297	1 297	1 808	99.93	99.93
Interest earned - outstanding debtors	3	3	3	2	99.86	99.86
Dividends received	0	0	0	0	0	0
Fines	7	12	12	15	99.92	99.92
Licences and permits	6	7	7	12	99.94	99.94
Agency services	147	103	103	178	99.94	99.94
Transfers recognised - operational	19 552	23 060	23 492	22 742	99.90	99.90
Other revenue	2 367	8 426	8 710	1 421	99.41	99.39
Gains on disposal of PPE	0	0	0	0	0	0
Total Revenue (excluding capital transfers and contributions)	46 438	57 356	58 072	50 898	99.89	99.89

Table 117: Revenue by Source

Chapter 5: Financial Performance

5.1.3 Operational Services Performance

The table below indicates the Operational services performance for the 2015/16 financial year:

Financial Performance of Operational Services						
Description	2014/15	2015/16			2015/16 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'ooo				%	
Operating Cost						
Water	1 205	1 396	1 680	1 598	12.65	-5.13
Waste Water (Sanitation)	3 677	3 344	3 344	3 344	-0.01	-0.01
Electricity	9 197	10 353	10 353	9 955	-3.99	-3.99
Waste Management	2 948	3 130	3 450	3 056	-2.42	-12.90
Housing	0	0	0	0	0	0
Component A: sub-total	17 027	18 222	18 826	17 953	-1.50	-4.87
Roads & Stormwater	2 772	3 382	3 382	2 971	-13.82	-13.82
Transport	0	0	0	0	0	0
Component B: sub-total	2 772	3 382	3 382	2 971	-13.82	-13.82
Planning	0	0	0	0	0	0
Local Economic Development	0	0	0	0	0	0
Component C: sub-total	0	0	0	0	0	0
Libraries	837	1 144	1 144	551	-107.53	-107.53
Social Services & community development	564	596	596	685	12.96	12.96
Cemeteries	193	196	196	226	13.32	13.32
Component D: sub-total	1 594	1 937	1 937	1 463	-32.41	-32.41
Other	239	281	281	293	3.94	3.94
Traffic & licensing	187	189	189	158	-20.04	-20.04
Fire Services and Disaster Management	21	29	29	20	-45.01	-45.01
Component E: sub-total	448	499	499	470	-6.15	-6.15
Holiday Resorts and Campsites	241	249	249	96	-158.67	-158.67
Swimming Pools Stadiums and Sport Ground	51	77	77	9	-712.40	-712.40
Community halls Town Commonage Community Services	84	100	100	79	-26.68	-26.68
Component F: sub-total	375	426	426	185	-130.67	-130.67
Financial Services	7 250	9 512	9 092	8 294	-14.69	-9.63
Executive and Council	18 559	23 078	23 078	20 097	-14.83	-14.83
Corporate Services	1 841	2 737	2 737	2 399	-14.06	-14.06
Component G: sub-total	27 650	35 327	34 907	30 791	-14.73	-13.37

Chapter 5: Financial Performance

Financial Performance of Operational Services						
Description	2014/15	2015/16			2015/16 % Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
	R'000				%	
Operating Cost						
Total Expenditure	49 867	59 793	59 977	53 832	-11.07	-11.42
In this table operational income (but not levies or tariffs) is offset ageist operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						

Table 118: Operational Services Performance

5.2 Financial Performance per Municipal Function

5.2.1 Water Services

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	4 319	4 523	4 523	4 535	0.28
Expenditure:					
Employees	245	499	499	255	-95.52
Repairs and Maintenance	173	324	324	365	11.13
Other	788	573	857	978	41.42
Total Operational Expenditure	1 205	1 396	1 680	1 598	12.65
Net Operational (Service) Expenditure	3 114	3 127	2 843	2 938	-6.44
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 119: Financial Performance: Water Services

Chapter 5: Financial Performance

5.2.2 Waste Water (Sanitation)

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'ooo				%
Total Operational Revenue	3 288	2 696	2 696	2 803	3.83
Expenditure:					
Employees	1 302	1 328	1 328	1 520	12.63
Repairs and Maintenance	110	195	195	69	-181.71
Other	2 266	1 821	1 821	1 755	-3.79
Total Operational Expenditure	3 677	3 344	3 344	3 344	-0.01
Net Operational (Service) Expenditure	(389)	(649)	(649)	(541)	-19.87
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 120: Financial Performance: Waste Water (Sanitation) Services

5.2.3 Waste Management

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'ooo				%
Total Operational Revenue	3 417	3 757	3 757	3 603	-4.27
Expenditure:					
Employees	2 475	2 775	2 775	2 631	-5.44
Repairs and Maintenance	0	0	0	0	0
Other	473	355	675	424	16.28
Total Operational Expenditure	2 948	3 130	3 450	3 056	-2.42
Net Operational (Service) Expenditure	469	627	307	547	-14.61
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 121: Financial Performance: Waste Management

Chapter 5: Financial Performance

5.2.4 Roads and Stormwater

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	1	1	1	1	33.33
Expenditure:					
Employees	1 097	1 410	1 410	1 196	-17.87
Repairs and Maintenance	98	38	38	48	20.73
Other	1 576	1 745	1 745	1 727	-1.03
Total Operational Expenditure	2 772	3 193	3 193	2 971	-7.46
Net Operational (Service) Expenditure	(2 771)	(3 192)	(3 192)	(2 971)	-7.47
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 122: Financial Performance: Roads and Stormwater

5.2.5 Libraries

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	3	1	1	2	59.33
Expenditure:					
Employees	640	929	929	310	-199.93
Repairs and Maintenance	4	0	0	3	100.00
Other	193	216	216	239	9.67
Total Operational Expenditure	837	1 144	1 144	551	-107.53
Net Operational (Service) Expenditure	(834)	(1 144)	(1 144)	(550)	-108.07
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 123: Financial Performance: Libraries

Chapter 5: Financial Performance

5.2.6 Cemeteries

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	10	6	6	15	60.92
Expenditure:					
Employees	171	173	173	205	15.38
Repairs and Maintenance	5	6	6	5	-5.40
Other	17	17	17	16	-7.35
Total Operational Expenditure	193	196	196	226	13.32
Net Operational (Service) Expenditure	(183)	(190)	(190)	(211)	9.89
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 124: Financial Performance: Cemeteries

5.2.7 Social Services (Child Care; Aged Care; Social Programmes and Community Development)

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	6	7	7	7	-7.86
Expenditure:					
Employees	409	330	330	476	30.62
Repairs and Maintenance	7	34	34	11	-209.65
Other	148	233	233	198	-17.25
Total Operational Expenditure	564	596	596	685	12.96
Net Operational (Service) Expenditure	(558)	(589)	(589)	(679)	13.17
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 125: Financial Performance: Social Services

Chapter 5: Financial Performance

5.2.8 Traffic Services and Law Enforcement

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	5	2	2	8	80.77
Expenditure:					
Employees	80	91	91	87	-4.06
Repairs and Maintenance	35	13	13	1	-1299.35
Other	73	86	86	70	-22.94
Total Operational Expenditure	187	189	189	158	-20.04
Net Operational (Service) Expenditure	(182)	(188)	(188)	(150)	-25.29
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 126: Financial Performance: Traffic Services and Law Enforcement

5.2.9 Fire Services and Disaster Management

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees	17	17	0	17	-0.07
Repairs and Maintenance	0	4	4	0	0
Other	5	8	8	2	-231.39
Total Operational Expenditure	21	29	11	20	-45.01
Net Operational (Service) Expenditure	(21)	(29)	(11)	(20)	-45.01
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 127: Financial Performance: Fire Services and Disaster Management

Chapter 5: Financial Performance

5.2.10 Holiday Resorts and Campsites

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	55	8	8	46	82.00
Expenditure:					
Employees	120	153	153	40	-280.08
Repairs and Maintenance	0	11	11	17	33.41
Other	121	85	85	40	-115.56
Total Operational Expenditure	241	249	249	96	-158.67
Net Operational (Service) Expenditure	(186)	(241)	(241)	(51)	-374.69
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 128: Financial Performance: Holiday Resorts and Campsites

5.2.11 Swimming Pools and Sport Grounds

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees	22	37	37	0	0
Repairs and Maintenance	16	14	14	0	0
Other	13	26	26	9	-172.79
Total Operational Expenditure	51	77	77	9	-712.40
Net Operational (Service) Expenditure	(51)	(68)	(68)	(9)	-617.37
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 129: Financial Performance: Swimming Pools and Sport Grounds

Chapter 5: Financial Performance

5.2.12 Community Halls and Town Commonage

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	344	275	275	211	-30.47
Expenditure:					
Employees	58	62	62	62	-0.04
Repairs and Maintenance	19	25	25	10	-156.92
Other	7	13	13	7	-83.51
Total Operational Expenditure	84	100	100	79	-26.68
Net Operational (Service) Expenditure	260	175	175	132	-32.73
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 130: Financial Performance: Community Halls and Town Commonage

5.2.13 Executive and Council

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	15 667	20 612	20 612	17 582	-17.24
Expenditure:					
Employees	4 169	3 947	3 947	4 003	1.42
Repairs and Maintenance	240	264	264	264	0.00
Other	14 150	18 868	19 300	15 830	-19.19
Total Operational Expenditure	18 559	23 078	23 511	20 097	-14.83
Net Operational (Service) Expenditure	(2 892)	(2 466)	(2 898)	(2 516)	1.97
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 131: Financial Performance: Executive and Council

Chapter 5: Financial Performance

5.2.14 Corporate Services

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees	1 702	2 411	2 411	2 187	-10.24
Repairs and Maintenance	0	0	0	0	0
Other	139	325	325	212	-53.39
Total Operational Expenditure	1 841	2 737	2 737	2 399	-14.06
Net Operational (Service) Expenditure	(1 841)	(2 737)	(2 737)	(2 399)	-14.06
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 132: Financial Performance: Corporate Services

5.2.15 Financial Services

Description	2014/15	2015/16			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	2 657	5 838	5 838	1 747	-234.13
Expenditure:					
Employees	3 469	4 467	4 467	3 790	-17.85
Repairs and Maintenance	0	0	0	0	0
Other	3 782	5 046	4 626	4 504	-12.03
Total Operational Expenditure	7 250	9 512	9 092	8 294	-14.69
Net Operational (Service) Expenditure	(4 593)	(3 674)	(3 254)	(6 547)	43.88
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Table 133: Financial Performance: Financial Services

Chapter 5: Financial Performance

5.3 Grants

5.3.1 Grant Performance

Grant Performance						
Description	2014/15	2015/16			2015/16 Variance	
	Actual (audited Outcome)	Budget	Adjusted Budget	Actual	Original Budget	Adjusted Budget
R'000					%	
Capital Transfers and Grants						
National Government:	26 678	29 679	27 398	27 579	-7.61	0.66
Equitable share	15 096	18 021	18 021	18 021	0.00	0.00
Municipal Systems Improvement	934	930	930	930	0.00	0.00
Expanded Public Works Programme	1 000	1 000	823	1 000	0.00	17.70
MIG - Project Management Unit	7 848	7 928	5 828	5 828	-36.03	0.00
Finance Management Grant	1 800	1 800	1 796	1 800	0.00	0.22
Provincial Government:	855	1 309	1 377	2 930	55.33	53.00
Library Grant	855	1 309	1 177	1 309	0.00	10.08
DWAF	0	0	200	1 621	100.00	87.66
Total Capital Transfers and Grants	27 533	30 988	28 775	30 509	-1.57	5.68

Table 134: Grant Performance for 2015/16

Chapter 5: Financial Performance

5.3.2 Conditional Grants

Details	2014/15	2014/2015			20114/15 Variance	
	Actual	Budget	Adjusted Budget	Actual	Variance	
					Budget	Adjusted Budget
		R'000				%
Financial Management Grant (FMG)	1 800	1 800	1 177	1 800	0.00	34.61
Municipal Systems Improvement Grant	934	930	930	930	0.00	0.00
Municipal Infrastructure Grant (MIG)	7 848	7 928	5 828	5 828	-36.03	0.00
Expanded Public Works Program(EPWP)	1 000	1 000	823	1 000	0.00	17.70
Library Grant	855	1 309	1 177	1 309	0.00	10.08
Equitable share	15 096	18 021	18 021	18 021	0.00	0.00
Total	27 533	30 988	27 956	28 888	-7.27	3.23

Table 135: Conditional Grant

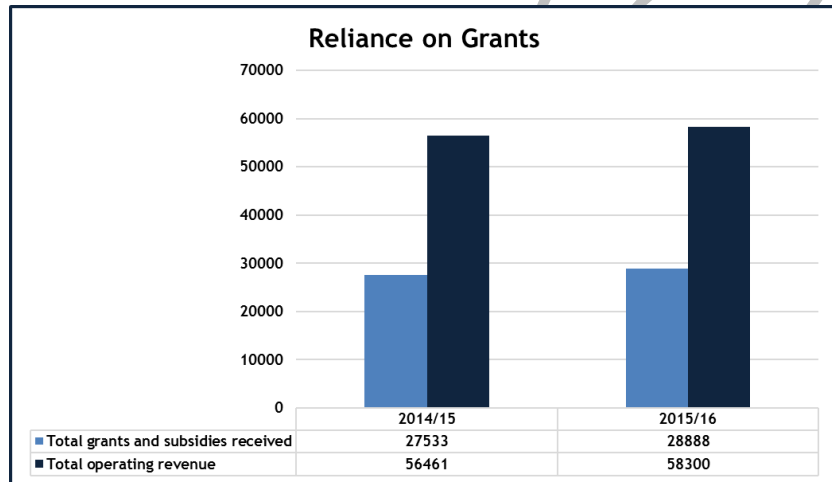
5.3.3 Level of Reliance on Grants and Subsidies

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'000		%
2014/15	27 533	56 461	48.76
2015/16	28 888	58 300	49.55

Table 136: Reliance on Grants

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The following graph indicates the municipality's reliance on grants as percentage for the last two financial years



Graph 11: Reliance on Grants

5.4 Asset Management

5.4.1 Three Largest Assets

Asset 1		
Name	Boschmansberg	
Description	Farm	
Asset Type	Municipal Buildings	
Key Staff Involved	Chief Operations Manager	
Staff Responsibilities	Maintaining of asset	
Asset Value as at 30 June 2013	2014/15 R'000	2015/16 R'000
	7 752	7 752
Capital Implications	None - no depreciation	
Future Purpose of Asset	Farming	
Policies in Place to Manage Asset	Yes	
Asset 2		
Name	Vanwyksvlei Commonage	
Description	Commonage	
Asset Type	Municipal Buildings	
Key Staff Involved	Chief Operations Manager	
Staff Responsibilities	Maintaining of asset	
Asset Value as at 30 June 2013	2014/15 R'000	2015/16 R'000
	4,267	4,267
Capital Implications	None - no depreciation	

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Future Purpose of Asset	Farming
Policies in Place to Manage Asset	Yes
Asset 3	
Name	Carnarvon Commonage
Description	Commonage
Asset Type	Municipal Building
Key Staff Involved	Chief Operational Manager
Staff Responsibilities	Maintaining of asset
Capital Implications	None - no depreciation
Future Purpose of Asset	Farming
Policies in Place to Manage Asset	Yes

Table 137: Three Largest Assets

5.4.2 Repairs and Maintenance

Description	2014/15	2015/16			
	Actual	Original Budget	Adjustment Budget	Actual	Budget variance
		R' 000			%
Repairs and Maintenance Expenditure	1	1	3	1	-66.69

Table 138: Repairs and Maintenance

5.5 Financial Ratios Based on Key Performance Indicators

5.5.1 Liquidity Ratio

Description	Basis of calculation	2014/15	2015/16
		Audited outcome	Pre-audited outcome
Current Ratio	Current assets/current liabilities	5.02	6.05
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.52	0.66
Liquidity Ratio	Monetary assets/current liabilities	6.05	5.02

Table 139: Liquidity Financial Ratio

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5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2014/15	2015/16
		Audited outcome	Pre-audit outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.05	0.10
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.10	0.13
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	1.08	1.15

Table 140: Financial Viability National KPAs

5.5.3 Employee Costs

Description	Basis of calculation	2014/15	2015/16
		Audited outcome	Pre-audit outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	35%	33%

Table 141: Employee Costs

5.5.4 Repairs and Maintenance

Description	Basis of calculation	2014/15	2015/16
		Audited outcome	Pre-audit outcome
Repairs & Maintenance	R&M (Total Revenue excluding capital revenue)	2	2

Table 142: Repairs and Maintenance

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COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 Sources of Finance

The table below indicates the capital expenditure by funding source for the 2015/16 financial year:

Capital Expenditure: Funding Sources						
Details	2014/15	2015/16				
	Audited outcome	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance	Actual to OB Variance
Source of finance						
Description	R'000				%	
External loans	0	0	0	0	0.00	0.00
Public contributions and donations	0	0	0	362	0.00	0.00
Grants and subsidies	10 026	7 928	10 285	7 042	29.73	-40.91
Own funding	16	0	100	14	0.00	0.00
Total	10 042	7 928	10 385	7 418	30.99	-37.42
Percentage of finance						
External loans	0	0	0	0		
Public contributions and donations	0	0	0	5		
Grants and subsidies	99	100	99	94		
Own funding	1	0	1	1		
Capital expenditure						
Description	R'000				%	
Water and sanitation	2 707	0	3 907	1 997	0.00	0.00
Electricity	0	0	0	0	0.00	0.00
Housing	0	0	0	0	0.00	0.00
Roads and Stormwater	5 049	2 000	1 600	2 874	-20.01	63.73
Other	2 286	5 927	4 877	2 546	-17.71	-39.33
Total	10 042	7 927	10 384	7 417	31.00	-37.43
Percentage of expenditure						
Water and sanitation	27	0	38	27		
Electricity	0	0	0	0		
Housing	0	0	0	0		
Roads and stormwater	50	25	15	39		
Other	23	75	47	34		

Table 143: Capital Expenditure by Funding Source

Chapter 5: Financial Performance

5.7 Capital Spending on Largest Projects

Name of Project	2015/16				
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment variance
	R'000			%	
Upgrading of sport complex phase 2	1 228	4 242	3 619	195%	-100%
Paving of Suring street Vanwyksvlei	1 000	800	536	-46%	-100%
Paving of Bonteheuwel streets Carnarvon	1 000	800	739	-26%	-100%
Water pipeline Vanwyksvlei	0	0	1 422	0	0
Name of Project - A	Upgrading of sport complex phase 2				
Objective of Project	To upgrade the sport stadium				
Delays	None				
Anticipated citizen benefits	11673				
Name of Project - B	Paving of Suring street - Vanwyksvlei				
Objective of Project	To upgrade the gravel road to paving road				
Delays	None				
Anticipated citizen benefits	± 1300				
Name of Project - C	Paving of Bonteheuwel streets Carnarvon				
Objective of Project	To upgrade the gravel road to paving road				
Delays	None				
Anticipated citizen benefits	± 3660				
Name of Project - D	Water pipeline Vanwyksvlei				
Objective of Project	To provide sustainable water supply to Vanwyksvlei				
Delays	None				
Anticipated citizen benefits	± 1450				

Table 144: Capital Spending on Largest Projects

Municipal Infrastructure Grant (MIG)* Expenditure 2015/16 on Service backlogs					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
	R'000			%	%
Infrastructure - Sanitation	3 700	(3 700)	9	-42355.54	42555.54
Sewerage purification	3 700	(3 700)	9	-42355.54	42555.54
Other Specify: Recreational facilities	1 228	3 014	3 619	66.07	16.71
Outdoor Sport facilities	1 228	3 014	3 619	66.07	16.71
Total	4 928	(686)	3 628	-35.85	118.91

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Municipal Infrastructure Grant (MIG)* Expenditure 2015/16 on Service backlogs					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
	R'ooo			%	%
* MIG is a government grant program designed to fund a reduction in service backlogs mainly: Water; Sanitation; Roads; Electricity. Expenditure on new upgraded and renewed infrastructure. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.					

Table 145: Municipal Infrastructure Grant (MIG)* Expenditure 2015/16 on Service Backlogs

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is critical to the municipality as it enables the organisation to assess whether enough cash is available at any point in time to cover the council's commitments. Cash flow is rigorously managed and monitored on a regular basis.

5.8 Cash Flow

Cash Flow Outcomes				
R'000				
Description	2014/15	2015/16		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Cash flow from operating activities				
Receipts				
Ratepayers and other	23 618	30 560	31 389	24 205
Government - operating	19 685	23 060	22 947	23 150
Government - capital	10 934	7 928	10 285	7 449
Interest	1 557	1 171	1 171	1 753
Dividends	0	0	0	0
Payments				
Suppliers and employees	(36 182)	(42 262)	(43 195)	(37 626)
Finance charges	(1 809)	(831)	(831)	(1 989)
Transfers and Grants	(8 018)	(9 303)	(8 986)	(8 976)
Net cash from/(used) operating activities	9 783	10 323	12 780	7 965
Cash flows from investing activities				
Receipts				
Proceeds on disposal of PPE	44	0	0	0
Decrease (increase) in non-current debtors	0	0	0	4

Chapter 5: Financial Performance

Cash Flow Outcomes				
R'000				
Description	2014/15	2015/16		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
	R'000			
Decrease (increase) other non-current receivables	0	0	0	0
Decrease (increase) in non-current investments	0	0	0	0
Payments				
Capital assets	(10 088)	(7 928)	(10 385)	(7 113)
Net cash from/(used) investing activities	(10 044)	(7 928)	(10 385)	(7 109)
Cash flows from financing activities				
Receipts				
Decrease (Increase) in long term receivables	9 796	8 490	8 490	8 727
Decrease (Increase) in consumer	15 389	10 000	10 000	12 180
Payments				
Repayment of borrowing	0	0	0	0
Net cash from/(used) financing activities	25	18	18	21
Net increase/ (decrease) in cash held	(236)	2 413	2 413	878
Cash/cash equivalents at the year begin:	22 612	22 869	22 869	22 376
Cash/cash equivalents at the yearend:	22 376	25 282	25 282	23 254

Table 146: Cashflow

5.9 Gross Outstanding Debtors per Service

Financial year	Rates	Trading services	Economic services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
	R'000					
2014/15	1 871	1 069	885	0	1 742	5 567
2015/16	1 863	1 588	1 071	0	2 049	6 571
Difference	(7)	519	186	0	308	1 005
% growth year on year	-0.40	48.50	20.98	0	17.67	18.05
Note: Figures exclude provision for bad debt						

Note: Figures exclude provision for bad debt

Table 147: Gross Outstanding Debtors per Service

5.10 Total Debtors Age Analysis

Chapter 5: Financial Performance

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000				
2014/15	2 528	2 661	0	0	5 189
2015/16	3 235	2 957	0	0	6 192
Difference	708	296	0	0	1 003
% growth year on year	28.01	11.11	0	0	19.34
Note: Figures exclude provision for bad debt.					

Table 148: Service Debtor Age Analysis

5.11 Borrowing and Investments

Infrastructure needs to be replaced and therefore borrowings for periods of 15 years are taken up to lessen the impact on consumers.

5.11.1 Municipal Investments

Actual Investments		
R'000		
Investment type	2014/15	2015/16
	Actual	
	R'000	
Deposits - Bank	22 126	22 605
Other	251	649
Total	22 376	23 254

Table 149: Municipal Investments

Chapter 6: Auditor-General Findings

CHAPTER 6

COMPONENT B: AUDITOR-GENERAL OPINION 2015/16

6.1 Auditor-General Report 2015/16

2015/16	
Main issues raised under emphasis of matter	Corrective steps implemented/ to be implemented
Compliance with legislation	
Strategic and performance management	
Not established a performance management system	Appoint service provider in order to address this issue
KPI's not according to Section 46 MSA- SDBIP not included revenue	Appoint service provider in order to address this issue
Audit committee	
Audit Committee is not functional	New committee should be appointed
Asset and liability management	
Capital assets were permanently disposed without council approval	Acquire Council's approval before assets are disposed
Internal control	
Leadership	
Performance reporting were not overseen	Electronic performance system will assist with monitoring
not sufficient monitoring controls of predetermined objectives	Electronic performance system will assist with monitoring
Financial and performance management	
No policies to address monitoring predetermined objectives	Relevant policies should be drafted


Table 150: AG Report on Financial Performance 2015/16

Abbreviations

LIST OF ABBREVIATIONS

AG	Auditor-General
AFS	Annual Financial Statements
CAPEX	Capital Expenditure
CBP	Community Based Planning
CFO	Chief Financial Officer
CMTP	Council Meets The People
COGHSTA	Department of Cooperative Governance, Human settlements and Traditional Affairs
DPLG	Department of Provincial and Local Government
DWA	Department of Water Affairs
EE	Employment Equity
EPWP	Extended Public Works Programme
EXCO	Executive Committee
FBS	Free Basic Services
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal Finance Officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)

Abbreviations



MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000
MTECH	Medium Term Expenditure Committee
NCOP	National Council of Provinces
NERSA	National Energy Regulator South Africa
NGO	Non-governmental organisation
NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Association
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework